

The Oregonian

Portland looks to cut red tape for affordable housing

By Brad Schmidt

March 3, 2016

Mayoral candidates Ted Wheeler and Jules Bailey have been suggesting in recent weeks that Portland can do more to fast track affordable-housing projects.

Commissioner Dan Saltzman is stealing their thunder.

Saltzman next week will ask the City Council to approve a less-stringent review process for some affordable-housing projects that receive city subsidies. Although the new rules would be temporary, they're expected to cut the time spent by the city to review project design while also trimming costs for those reviews.

Saltzman, who oversees the Portland Housing Bureau and the Bureau of Development Services, said he didn't know the mayoral frontrunners had been stumping on the topic.

"That's news to me," he said. "We've actually been working on this for a while."

Two weeks ago, at a forum sponsored by Multifamily NW, both Wheeler and Bailey took aim at the city's design-review process.

Wheeler said the city could create a standardized set of materials and requirements for affordable housing projects, such as the color of bricks that can be used, so designs don't have to come back for time-consuming reviews.

"We can fast track the affordable housing piece by taking the subjectivity out of it," he said.

Bailey piled on.

"I agree that design review is a broken process that needs to be streamlined," he said.

Saltzman's plan isn't quite so sweeping.

The proposal would impact affordable-housing projects in the central city or the Gateway area. Eligible projects would include only those that receive city subsidies to serve people who earn up to 60 percent of the region's median income.

The upshot? Affordable-housing developers would save time and money, which theoretically would help keep costs lower for renters.

Instead of going through the city's most time-consuming process, called a Type III review, those projects would instead be subject to something called a Type IIx review.

Design-review fees estimated at \$9,381 to \$31,131 would be cut by half or more, to \$5,255 to \$9,245. And instead of a review process of 51 to 90 days, on average, projects could instead expect 42 to 80 days.

If approved, the rules would run through Oct. 6 – the date when the city's declared housing emergency ends. It's not immediately clear how many projects might be impacted by the rules in the next seven months.

If the City Council extends the emergency declaration, the new review process would continue.

Saltzman has also asked the City Council to direct planners to come up with options for more sweeping changes by Dec. 1.

Saltzman said the proposal comes, in part, as a result of challenges Home Forward experienced when trying to develop the St. Francis Park Apartments.

"We certainly honor the city's respect for design review and we're not trying to circumvent that," he said. "We're just trying to make sure things move a little faster, particularly for much-needed affordable-housing projects."

In arts tax vote, Steve Novick gets biblical and Dan Saltzman remains sensible: Editorial Agenda 2016

*By The Oregonian Editorial Board
March 3, 2016*

Steve Novick, the most quotable of Portland's five commissioners, voted Wednesday to hide the identities of those who pay (and don't pay) Portland's arts tax, which he once called "beyond regressive." But before doing so, Novick let fly at us. "I realize that will disappoint the Oregonian editorial board," he said. "But the Oregonian editorial board will not be satisfied until every PERS recipient has the number 666 carved in their forehead." We have pointed out on several occasions that the tax exempts many public pension recipients.

Seemingly inspired by his colleague, Mayor Charlie Hales had at us, too, but not before calling the arts tax "an imperfect tool" and thanking city staff for "working hard to make it work." Hardly a glowing endorsement, that.

"Since Steve brought up The Oregonian," the mayor continued, "I think I've heard from precisely one person on the subject of whether we should disclose taxpayers' identities on this subject, and that's the guy that writes editorials for The Oregonian."

In the end, four of the five commissioners voted to hide the imperfect workings of Hales' "imperfect tool." Only Commissioner Dan Saltzman took a stand for government transparency, saying that he's "uncomfortable with the fact that the district attorney ruled this information is public record, and our response is to come back and amend the ordinance. That just doesn't strike me as being the right approach."

Saltzman also punctured the claim, made by some of his colleagues, that arts tax information is for purposes of privacy like other income tax information. He noted that the tax "is a fairly binary thing. You paid \$35 or you didn't. It's not disclosing how much I paid in federal and state income taxes." The secrecy provision really benefits the city, as the workings of the tax are an embarrassment and feature, among other things, a 68 percent compliance rate. Council voted on Wednesday to hide the ugliness, or at least as much of it as circumstances allowed.

Novick and Hales were blaming the messenger, of course. But we get it. They, and perhaps some of their colleagues, don't like it when we write about the arts tax, as we do from time to time. In that, they're not alone. The city's Revenue Division head, Thomas Lannom, asked via email last week whether there was any subject on which we've editorialized more frequently over the past four years than the arts tax.

We have no idea. But there are two reasons we continue to write about it. The first is that it's terrible policy for reasons we've noted before. And if it continues to be bad policy, and if people have to continue paying it every year, why should we stop writing about it? To make Hales and Novick happy?

More importantly, we keep writing about it because the tax – from its origins to its continuing evolution – provides a window into the way Portland government works. Every once in a while, it's useful for taxpayers to look through it.

Those with good memories will recall that the tax was conceived of as a funding mechanism for local arts organizations, not for public school art and music teachers. When this idea didn't poll well, supporters turned it into a school-funding measure that also raises money for arts organizations. City Council dutifully slapped together a proposal and rushed it onto the ballot, and in 2012 voters approved it despite Novick's complaints about its regressive nature.

The problems that followed the tax's passage have eclipsed the cynicism with which it was conceived. Administrative costs have been high, compliance has been low, and Council famously exempted thousands of people inadvertently by raising the tax's income floor. The arts tax is now inequitable, regressive, administratively burdensome and widely ignored, no doubt because it's detested by many of those who must pay it. All of this, meanwhile, to support programs for which the city is in no way responsible.

City Council knows all of this and has had opportunities over the past few years to send the tax back to voters. Rather than taking any of these opportunities, Council has clung to the tax, and commissioners have complained periodically about those who refuse to ignore the train wreck. This week's secrecy vote was just the latest example.

The tax, at \$35 per year, is not that large. But if City Council is willing to test the limits of rationalization and distortion in order to cling to something this modest, just imagine how badly commissioners would be willing to treat taxpayers if the stakes were higher. That's surely a question many Portlanders ask themselves whenever they pay the arts tax or City Council passes up a chance to put it back on the ballot. Are they, to return to Novick's admittedly funny jab, motivated by hostility toward PERS recipients as well?

The Portland Tribune

Judge approves Portland gas tax ballot title

By Jim Redden

March 4, 2016

The ballot title for Portland's proposed temporary gas tax measure has survived a court challenge.

Multnomah County Circuit Court Judge Karen Immergut approved the city-prepared title Thursday and removed only one line from the city-prepared explanatory measure. It read, "Street investments now save money later."

The City Council has placed the four-year, 10-cent-a-gallon measure on the May Primary Election ballot. It will raise an estimated \$64 million for street maintenance, repair and safety projects before expiring.

The ballot title had been challenged by the Paul Romain, executive director of the Oregon Fuels Association, which represents gasoline dealers. He argued the ballot title was incomplete and should have said that heavy truck will be exempt from the tax, even though they cause a disproportionate amount of road damage.

Romain also objected to a city-prepared ballot summary that listed examples of the kinds of projects that will be funded, saying the measure itself does not actually itemize them.

Although Romain lost most of the legal challenge, he has promised to wage a strong campaign against the measure.

The measure is supported by Fix Our Streets Portland. After the ruling, campaign manager Aaron Brown said the council will hold a work session in April on ideas for taxing heavy trucks.

“Road maintenance has been deferred for 30 years, and we should not delay any longer because the longer you wait to fix a street, the more it’ll cost Portland taxpayers to fix. After years of discussion and fine-tuning, this measure ensures that the people who use our roads the most will pay the most to fix them. Heavy users cause the most damage, heavy users should pay the most. That’s the fairest way to cover the cost of these needed repairs. Unfortunately, I’m sure we will continue to see national corporate interests attempt to use their money to derail our grassroots campaign to fix our streets,” said Brown.

The measure has been endorsed by the City Club of Portland, Rose Community Development Corporation, Upstream Public Health, the Bicycle Transportation Alliance, and others.

The Portland Mercury

The Oil Lobby Has Lost Its First Challenge to a Portland Gas Tax

By Dirk VanderHart

March 3, 2016

The first attempts to siphon City Hall's proposed gas tax have come up dry.

Multnomah County Circuit Judge Karen Immergut this morning took up a challenge from state fuel lobbyists seeking to alter the language voters will see on the ballot. Then she swatted most of that challenge aside.

Oregon Fuels Association President Paul Romain has sworn to combat the four-year, 10-cent-per-gallon local gas tax Portland City Council referred to the May 17 ballot in January. The first step to that, as with most ballot opposition campaigns: Make the gas tax look as unappetizing as possible when voters peruse their ballots.

In a challenge [\[pdf\]](#) filed last month, Romain argued for a number of changes to the language Portland City Attorney's office had crafted under state rules around ballot language. One of the largest contentions: That it's improper for the city to include specific projects in a summary of the gas tax's effects. That summary reads:

Measure creates program dedicated to street repair, traffic safety through temporary, ten-cents per gallon tax on motor vehicle fuels in Portland for vehicles not subject to weight-mile tax, estimated to raise \$64 million over

four years. Tax implemented no earlier than September 2016, expires in four years. Establishes license requirements.

Project categories with examples in each category:

- *Street repair, (\$35.8 million)- Parts of SE Foster, N Denver, NE Alberta*
- *Safe Routes to Schools, (\$8 .8 million) - Lent Elementary traffic calming, David Douglas HS sidewalks, George Middle School crossings*
- *Sidewalk completion, (\$6.4 million)- SW Capitol Highway, NE 14th*
- *High Crash Corridor safety improvements, (\$3.9 million) -lighting on SE Powell, crosswalk improvements on NE Sandy, 82nd Avenue, SW Beaverton/Hillsdale Highway*
- *Reducing bicycle / car conflicts, (\$5.6 million)- two Neighborhood Greenways in East Portland, safer bicycle routes downtown*
- *Intersection safety improvements, (\$3 .4 million) - focused on improving access to transit: NE MLK, US 30*

Citizen oversight committee reviews expenditures, provides annual reports. Audits required.

In his challenge, and again in court this morning, Romain noted that no language in the gas tax—expected to raise \$64 million over four years—would specifically require the city to fund those projects. City leaders could change their whims at any time, he said.

"It can be used for a number of other things," he said. "Putting in a list is very, very prejudicial."

Deputy City Attorney Linly Rees argued those uses would essentially be set in stone by virtue of going before voters. And she said that the laundry list could turn off voters who don't see improvements they want.

"By including specific projects, you are cutting both ways," she said.

The other big argument this morning was that the ballot language obscures a major fact of the gas tax: That the heavy trucks doing most damage to the streets wouldn't have to pay. The ballot language currently only includes an oblique mention of that exemption, saying that the tax applies to "vehicles not subject to weight-mile tax..." That's a reference to the state tax assigned to trucks that weigh more than 26,000 pounds, and Romain argued this morning that people should know that.

"If you simply say 'weight-mile exemption,' no one but transportation nuts understands what that is," Romain said. "Those trucks are going to be in effect using the roads, but not paying this tax." It was an interesting argument to hear from Romain, who represents the Portland truck stops the truck exemption was designed to protect.

Rees, who oddly couldn't explain the reason for the diesel exemption, said Romain's preferred verbiage of "heavy truck" was just as opaque. "Your average person doesn't know what a heavy truck is," she said.

Romain repeatedly suggested it was unfair that the City of Portland gets to craft supposedly impartial ballot language for a measure it supports. He called Immergut a "neutral arbitrator," asking her to "change good to better."

But the judge didn't see the need for changes. She left the city's language untouched, apart from axing a sentence in the city-provided explanatory statement she felt toed the line of partisan campaigning. That sentence was a version of something we've all heard Transportation Commissioner Steve Novick say dozens of times, as failed street fee suggestion begat failed street fee suggestion begat, eventually, the current gas tax proposal.

It read: "Street investments now save money later."

Daily Journal of Commerce

Affordable housing projects could get a boost

By Chuck Slothower

March 3, 2016

The Portland City Council on Wednesday will consider a major proposal to accelerate design review for projects that include affordable housing.

The proposal, by Commissioner Dan Saltzman, would do away with Type III design review for affordable housing projects. He hopes to encourage affordable housing by making the approval process faster and easier.

"We want ... to provide a quicker avenue to get necessary approvals from the city to break ground to build that housing," Saltzman said Thursday.

Type III is the most rigorous planning process, requiring a pre-application conference and a public hearing. The city's own timeline for Type III review shows applicants should expect a 103-day process, or more than three months.

Developers have long complained of the lengthy timeline.

Under Saltzman's plan, to be introduced as a City Council resolution, Bureau of Development Services staff members would be responsible for the new review process, called "Type II-x."

Saltzman said city staff members are fully capable of providing a thorough review that adheres to Portland's design standards and comprehensive plan.

"I think staff would be pretty rigorous, too," he said.

More details of Saltzman's proposal are expected to be revealed with the release of next week's City Council agenda.

Saltzman said the idea came out of a meeting with Mayor Charlie Hales and Portland Design Commission members.

Saltzman said design commissioners are sometimes frustrated by city standards that take into account design aspects like access to the Willamette River, even for buildings that might be a mile away.

"What does that mean?" he said.

Design commissioners could not be reached for comment on Thursday.

Saltzman said he expects his proposal to move forward.

"I'm pretty sure there's good support for this in the building," he said.