

## **The Oregonian**

### **Business group fights Right 2 Dream Too move**

*By Brad Schmidt*

*March 21, 2016*

A group of business leaders is fighting Portland's plan to move a downtown homeless camp to the Central Eastside industrial district.

The group told state officials March 10 that it will appeal the Portland City Council's recent decision to move the Right 2 Dream Too homeless camp.

Despite the challenge, city officials remain undeterred. Commissioner Amanda Fritz, a proponent of the move, said Monday that she is confident the state will side with Portland.

Members of the Central Eastside Industrial Council weren't immediately available for comment Monday.

The Central Eastside Industrial Council plans to challenge the move by diving into complex technicalities of Portland's zoning code for what's allowable as a "community service."

In February, land-use attorney Christe White, who is representing the business group, told the City Council that officials made a "fatal flaw" in their rationale.

White said city code "expressly prohibits" residential community services in industrial areas.

"So the simple question is this: are the tent campers using the site for residential purposes? I think they are. The use would therefore be prohibited," she warned the City Council on Feb. 18.

The City Council approved the move a week later.

City officials received notice last week that White filed a challenge with the Oregon Land Use Board of Appeals. If the case moves forward on schedule, the board would issue its decision by late June.

Right 2 Dream Too opened in 2011 at Northwest Fourth Avenue and Burnside Street. City officials have been looking for a new location since 2013.

They now hope to move the homeless camp to city-owned property at Southeast Third Avenue and Harrison Street by October. Right 2 Dream Too would be authorized to use the land for 10 years.

## **The Portland Tribune**

### **Portland's popularity boom may be headed for bust**

*By John M. Vincent*

*March 22, 2016*

It seems that hardly a day goes by without Portland receiving another placement in the top ranks of a "best places" list. Hundreds of such studies are done each year, and Portland consistently scores in the top echelons of the rankings.

But have we reached "peak Portland"? Are we on the precipice of a decline in those scores?

Bert Sperling thinks so, and as the architect of many of the studies, he should know. Sperling created Money magazine's first Best Places to Live study and now does a plethora of data-driven projects for news publications and businesses.

"It's everybody's most livable city these days, and that's kind of a problem," Sperling says. "I believe that for every boom, there's a bust. Booms are unhealthy, busts are unhealthy, but I think it's impossible to control."

He cites San Francisco and Seattle as cautionary tales, where booms have led to explosive growth and busts in affordability and livability. He can't recall a city that has been able to tackle universal affordability.

Those cracks already might be showing. In its 100 Best Places to Live study, released March 2, U.S. News and World Report ranked Portland No. 20, three places behind (gasp) Houston, Texas, and 13 behind Seattle.

Sperling's insights are based on data, but backed up with on-the-ground experience traveling to the places he has ranked. Last summer he took a 10,000-mile road trip crisscrossing the southeast United States. "That gives me an idea of what's behind the data," he says.

"We're at that magic point. Portland is really attractive right now."

But it's that attractiveness that Sperling fears will lead to its decline. The main driver will be housing affordability, and it will change the fabric of Portland, pushing the creative, interesting, entrepreneurial spirits that make the city what it is, first to its periphery, and then out of the city altogether. The only people living in or around the city's core will be more affluent, more privileged, Sperling predicts.

Sperling looks at Portland's east side as an example of what can happen in a "low-cost, low-friction" area. In the 1970s through the 1990s, there wasn't a lot going on, "but in the last 15 years, it's become the place where everything is happening regarding eating, arts and music," he says. Those kinds of amenities influence many of the Best Places-type studies.

"The Pearl is a good example of what happens when things get expensive," he says. "The shops are nice, but not much exciting is happening there. As Portland matures, it will look more like the Pearl, and the more vibrant places like the east side will fade." The trend will take time, as he sees the interesting stuff shifting out toward Foster, Lents or Woodstock before being pushed beyond the city's boundaries.

Sitting in the Blue Kangaroo coffee shop in Sellwood, Sperling laments "we're going to end up with a lot more Starbucks than we have Blue Kangaroos. We're going to have a lot less weirdness."

### **By the numbers**

According to data provided by the Federal Housing Finance Agency and interpreted by Sperling, the Portland housing market exploded in the 1990s, with prices more than doubling (110 percent) — the greatest increase among our peer group of the 50 large metro areas.

Despite the jump, Portland's prices still lagged other West Coast cities by a wide margin — we were still a value. During the next 15 years, Portland's prices rose at a rate slightly higher than the peer group, but well below the rates of Los Angeles, San Francisco, Austin and other "hot" cities.

“Point is, Portland has been lagging in price increases, and has been tilted toward being underpriced in comparison with other metros,” Sperling says. “Combine this value with the amenities, which have been accelerating in the last 10 years, and you have a desirable market.”

Trends in rents nearly mirror the home price increases, according to Sperling and the data he interprets from Zillow.com.

According to a recent study released by Metro, the region’s rents have increased 63 percent since 2006, with Northeast Portland leading the way. The average income of renters has only grown 39 percent over the same period. However, rents in Portland still tend to be half of what they are in the Bay Area, for example.

Portland was the last affordable bastion on the West Coast.

But that value proposition is taking a dramatic shift. Over the past five years, Portland had the 16th-greatest increase in home prices, but over the past year it moved into third place. No other metro area among the group of 50 largest places shows such a significant spike, Sperling says.

Those rising rents and housing costs are already pushing Portland’s creative class out of traditionally affordable areas. “Creative spaces are being disrupted, housing is going to become less affordable, and traffic congestion is only going to increase,” Sperling says. “There will be overbuilding — building that is done as an emergency, and development that is suboptimal.”

Sperling doesn’t see how the creative, innovative and entrepreneurial activity can happen in a high-cost environment. “Affordability is important, because it allows you to take more risks,” he says. “You can afford to take more swings at the plate.”

But now Portland is heading in the opposite direction, and it’s hard to buck the market. “It’s not like you’re able to roll back the tide.”

## **Saltzman: Waive development charges for church-based shelter**

*By Jim Redden*

*March 21, 2016*

Commissioner Dan Saltzman has directed the Portland Housing Bureau to waive city development charges for a small church-based organization hoping to expand its North Portland homeless shelter.

Saltzman oversees the Housing Bureau, which denied the break last week, saying in a March 17 letter, "After reviewing the application materials submitted, PHB is unable to approve application exemptions for the project due to the shelter's religious-based services and programming."

The bureau's decision was based on advice from the city attorney's office, which had said the organization's programming violated the Oregon Constitution's separation between church and state.

However, after a Monday meeting with senior city attorneys, Saltzman reversed the decision. He based his decision in part on the fact that the city previously has partly funded homeless and

affordable housing projects by other religious organizations, including the Salvation Army, the Union Gospel Mission and Catholic Charities.

The City Council also declared a Housing State of Emergency last October intended to create more shelter space and affordable housing projects.

"The commissioner wants the city to do everything possible to help the homeless and low-income families," says Brendan Finn, Saltzman's chief of staff.

The Community of Hope has been financially challenged in recent months by city fees and construction requirements. Although some fees and requirements have been reduced or waived, the organization is still facing tens of thousands of dollars in city-imposed costs, including system development charges (SDCs) totaling more than \$20,000.

After a March 8 Portland Tribune story on the situation, the organization was informed it could apply to have all of the city SDCs waived under a program administered by the Portland Housing Bureau to encourage the construction of affordable housing, including new shelters. The program recently was used to reduce costs for a shelter for women and children opened by Human Solutions in a former strip club in Southeast Portland.

But after the Community of Hope submitted some preliminary paperwork, it was notified that it does not qualify for the program.

"After reviewing the application materials submitted, PHB is unable to approve SDC exemptions of the project due to the shelter's religious-based services and programming," says the March 17 letter signed by Portland Housing Bureau program coordinator Dory Van Bockel.

The Community of Hope is part of AllOne Community Services, a nonprofit organization founded by the Church of North Portland, a coalition of dozens of churches in the area. Plans call for expanding the shelter from about 15 to around 34 people.

Community of Hope Executive Director Linda Jo Devlaeminick says the only religious programming at the shelter is a mandatory trauma recovery course she teaches to clients that includes Bible quotes along with psychological advice. Devlaeminick says she drops the Bible quotes if any of the clients object.

Other faith-based organizations are receiving funds from both Portland and Multnomah County to support their homeless programs, including the Salvation Army. The Portland Development Commission helped finance the Union Gospel Mission's building in Old Town. A representative of the downtown Baptist Church even sits on the coordinating committee of A Home for Everyone, a city-county initiative to cut the homeless population in half by 2019.

Devlaeminick had said she hoped the Housing Bureau would reverse its stance after learning more about how the shelter operates.

"If what we're going through can help other organizations, then it will be worth it," Devlaeminick says.

The initial rejection came as Portland and Multnomah County have been increasing spending on homeless programs after declaring housing emergencies.

Last Wednesday, the City Council approved spending \$2.75 million on homeless services. The money is in addition to \$2.26 million the council spent last October.

Most of the original appropriation went to open two temporary homeless shelters, one in Southwest Portland and one downtown. The largest portion of the additional money — \$1.29

million — will go to pay some of their opening and operating costs. Both shelters required improvements to open and need ongoing staffing, maintenance and repairs to function.

Mayor Charlie Hales said some of the additional money will be spent on “deliberate experimentation” to help determine the best ways to reduce homelessness. A number of the services are modeled after those in other cities.

“We are trying some things out that we’re learning from other cities. Some of them are going to work, some of them aren’t,” Hales said.

The next day, the Multnomah County Board of Commissioners approved spending \$5.7 million on homeless and affordable housing services. Of that amount, \$1 million is requested for housing assistance for homeless families, domestic violence survivors, homeless youth, homeless veterans and related services.

The remaining \$4.7 million will help fulfill Multnomah County Chair Deborah Kafoury’s promise to appropriate \$10 million to A Home for Everyone next year.

Hales has promised \$20 million in city funds for the city-county initiative, and he has asked all general fund agencies to propose 5 percent budget reductions to help free up the money.

A recent analysis by the City Budget Office questioned whether A Home for Everyone’s goal of cutting homelessness in half by 2019 is realistic. In a review of the housing bureau’s next budget request, budget analysts said the actual cost of such a reduction is not the \$30 million Hales and Kafoury promised to spend next year, but \$73 million over three years. And analysts said the homeless population probably is increasing faster than predicted because of the increasing housing costs the council is trying to address.

## **The Portland Mercury**

### **Gas Tax Proponents Have Been Raking In Cash**

*By Dirk VanderHart*

*March 21, 2016*

A campaign to convince Portlanders to pass a four-year, 10-cent gas tax has taken in more than \$40,000 in the last two months, tapping support from Portland's development community and several city council members.

Fix Our Streets Portland formally kicked off in late January, on the same day Portland City Council voted to refer the local gas tax to the May 17 ballot. If approved, the measure's expected to raise \$16 million per year, with 56 percent of that money going toward paving projects, and the rest thrown at safety improvements.

According to the Secretary of State's website, Fix Our Streets' campaign committee is being steered in part by Mayor Charlie Hales and Commissioner Steve Novick, whose multiple attempts at passing a street fee in 2014 ultimately stalled out for want of a public vote. But the gas tax measure also has buy in from an array of progressive transportation groups, and the Portland Business Alliance.

The city's developers, always reliable contributors come campaign time, are whipping out their checkbooks. Melvin Mark, Menashe Properties, and Williams/Dame & Associates are all in for \$1,000.

Public officials are in, too. Commissioner Dan Saltzman's got \$2,500 into the effort, Commissioner Amanda Fritz chipped in \$500, and Hales' defunct campaign committee donated \$1,000. Here's the full list of contributions.

The money will likely be necessary to sway Portlanders. A majority of citizens support the gas tax, according to some publicly available polls. But pollsters warn it's a lead that could fall away in the face of a ballot fight, which is what Fix Our Streets is gearing up for.

The Oregon Fuels Association has promised to campaign against the ballot measure. Executive Director Paul Romain told the Mercury recently he'd be hitting up local gas stations and other fuels industry players for donations. Records show the OFA's political action committee has about \$22,500 on hand, and has been conducting polling on the gas tax measure.

## GoLocalPDX

### Portland Drivers Spend 26% More Time in Car Due to Congestion—9th Worst

*By the GoLocalPDX News Team*

*The March 22, 2016*

Portland's auto traffic is ranked as the 9th worst in a new study released on Tuesday morning. On average, Portland commuters are spending 26 percent more in extra travel time due to congestion.

Both highways and non-highways cause equal amounts of delay — on average the traffic congestion adds 31 minutes per day.

"We really want everybody to think about how they can lower the amount of time they waste in traffic every day — and to realize that we all need to play a part," said Ralf-Peter Schaefer, vice president of TomTom Traffic.

Using data from 2015, the TomTom Traffic Index assessed traffic congestion in 295 major cities in 38 countries on six continents — from Rome to Rio, Singapore to San Antonio. TomTom works with 14 trillion data points that have been accumulated over eight years.

Among the U.S. highlights in the report's findings:

- The full Top 10 ranking for most congested big cities: Los Angeles, San Francisco, New York, Seattle, San Jose, Honolulu, Miami, Washington, D.C., Portland, Ore., and Chicago.
- Some of cities — Honolulu, Washington and Chicago — recorded a slight improvement in the overall traffic driving time from last year. But the leaders, Los Angeles, San Francisco and New York, each got worse.
- Fast-growing cities in the South also ranked high, including Houston (11th on the overall congestion list), Atlanta (13), Tampa (15), Orlando (16), Baton Rouge, La. (18), Nashville (19) and Austin (21).

- Cities enjoying the smoothest commutes were Midwest mainstays: Kansas City, Indianapolis, Omaha-Council Bluffs, Iowa, and Dayton, Ohio.

For Portland, a city that prides itself on mass transit and biking, the data from TomTom coupled with the global traffic study released by INRIX that found Portland's traffic issues are only getting worse. As GoLocal reported one Portland highway corridor ranked right with the biggest hell highways in America around New York City, Washington, D.C., and Atlanta as being the most congested.

I-5 From MacAdam Ave to N.Tomahawk Island Drive is the 41st most congested section of highway in the United States. At its worst, this 10 exit span takes nearly 40 minutes to travel with an average speed of just 15 mph. The worst time to travel that 9.6 miles is 4:00 pm.

**Key Learning About Portland's Traffic Issues:**

<b>Highways (extra travel time)</b>	24%
<b>Non-highways (extra travel time)</b>	27%
<b>Extra travel time per day</b>	31 min
<b>Extra travel time per year</b>	118 hr
<b>Most congested day</b>	Thu 17 Dec 2015