

The Oregonian

Portland's bike-share program will add adaptive bikes

By Casey Parks

June 30, 2016

Tricycles and hand-cranked bicycles won't be available when Portland's bicycle-share program launches July 19. But city leaders said Thursday they are launching a pilot program to add those adaptive bikes next year.

None of the early prototypes or photographs for Portland's \$1.4 million-a-year program had included adaptive bikes. That was until City Council candidate Chloe Eudaly called on the city's bureau of transportation this month to add them. Eudaly, a longtime disability advocate whose son has cerebral palsy, is running against Steve Novick, the incumbent commissioner who oversees the city's transportation bureau.

Nationwide, a handful of cities include adaptive cycles in their bike-share programs. Biketown project manager Steve Hoyt-McBeth said Portland workers considered adding them but didn't see an option that fit.

"The public conversation about the issue triggered us to look harder at it," Hoyt-McBeth said.

Novick "wanted to see action," Hoyt-McBeth said. "He asked us to provide him some options."

Hoyt-McBeth and other transportation workers spent June researching. They went to two events, Adaptive Bicycle Clinic and Wheel Connect, to talk to potential adaptive bike users. They talked with the owners at Different Spokes, a Portland shop that specializes in adaptive bikes.

Officially, the adaptive bikes will be part of the Nike-sponsored Biketown program. When the system launches, users can rent bikes, either by the half hour or for the day, at one of 100 stations across the city. But after talking with a dozen people who use wheelchairs, city leaders decided to manage the adaptive bikes separately.

People with disabilities told city leaders they want to be able to stash their wheelchairs when renting adaptive bikes, Hoyt-McBeth said. Some said they would need help transferring from a wheelchair to a bicycle. They also prefer to use the bikes on non-motorized pathways such as the Springwater Corridor Trail and the Eastbank Esplanade.

City workers still need to reach out to people with other types of disabilities, Hoyt-McBeth said, before deciding how the new program will work. Right now, city workers anticipate partnering with downtown bike shops to rent out the bikes. That would give users a place to store their wheelchairs. Bike rental workers could help them onto the bikes.

City leaders don't have a projected budget for the adaptive bike program, but tricycles and hand bikes will cost about \$1,500, roughly the same as other Biketown cycles. They anticipate launching the pilot with six adaptive bikes.

Is Ted Wheeler shifting his stance on Portland's new police chief?

By Brad Schmidt

June 30, 2016

Less than an hour after Mayor Charlie Hales named Mike Marshman as Portland's new police chief, Mayor-elect Ted Wheeler weighed in with what seemed to be a definitive stance.

"I have been clear that a comprehensive national search for a Police Chief is in the best interest of Portlanders (and) the Police Bureau," Wheeler said in a statement Monday. "I am confident that Chief Marshman will be a top candidate for the position, should he have an interest in continuing as Police Chief."

But on Tuesday, Wheeler seemed to soften that position.

A constituent emailed Wheeler with a question: Why not set aside his desire to conduct a national search and just let it play out with Marshman, to see if Marshman is a police chief who fits Wheeler's "mold"?

"It may work out that that someone has already been named," the emailer told Wheeler.

And Wheeler's response?

"Your point isn't lost on me," Wheeler responded. "We'll see how things play out. If the bureau, council and community like the way things are going we won't unnecessarily disrupt progress."

We reached out to Michael Cox, Wheeler's campaign manager during the primary, for an explanation.

"So if Marshman is perceived to be doing a good job, then Wheeler would consider keeping him without a national search?" we asked. "And do the national search later, if/when Marshman leaves?"

Cox's response?

"No... Marshman is the current mayor's choice for police chief, and will have the opportunity to compete in a national search to be the mayor elect's," Cox wrote to The Oregonian/OregonLive in a text message. "Specifics will be worked out in the coming months and announced when he takes office in January."

But then, Cox continued:

"We could speculate on any number of hypothetical scenarios, but won't," he wrote. "That last text is our policy statement."

As for Wheeler's email to the constituent, Cox said it merely shows that Wheeler listens to and considers the opinions of others, and that Wheeler "has an awareness of the trade-offs and is interested in minimizing them."

If Wheeler does ultimately backtrack, it wouldn't be the first time for a Portland mayor.

Hales in 2014 promised to conduct a national search for the city's chief administrative officer. But he later nixed that plan, saying the interim, Fred Miller, was doing such a good job that it wouldn't be possible to find anyone better.

Portland OKs construction tax to pay for affordable housing

By Brad Schmidt

June 29, 2016

The Portland City Council unanimously approved a new tax Wednesday projected to raise more than \$12 million a year for affordable housing.

"The lack of affordable housing is the greatest crisis facing our city right now," said Commissioner Dan Saltzman, who oversees the Portland Housing Bureau, recycling the same line he used during a meeting two weeks ago.

The construction-excise tax – 1 percent of the permitted value of commercial and residential projects – will ensure that "growth pays for growth," Saltzman said.

Officials will begin collecting the tax Aug. 1 but will exempt housing built for people with limited incomes.

Separately, Saltzman on Thursday will ask the City Council to send a \$258.4 million bond measure to voters to pay for 1,300 units of affordable housing.

Also during Wednesday's City Council meeting, officials unanimously approved changes to the city's lobbying regulations. The tweaks narrow restrictions on former employees who lobby the city. Auditor Mary Hull Caballero previously said existing rules are so broad they are "all but unenforceable."

At the same time, Hull Caballero convinced the City Council to increase the maximum fine for violations from \$500 to \$3,000.

"Rules are not meaningful unless there's meaningful enforcement," Commissioner Steve Novick said.

Affordable housing? In Portland, there's (another) tax for that

By Brad Schmidt

June 30, 2016

Portlanders since 2010 have been subjected to an arts tax, a parks tax, a fire tax, a children-services tax, a telephone tax, a gas tax, a construction tax and – come November – city voters will be asked to approve a pot tax and a tax to pay for affordable housing.

"I'm a tax-and-spend liberal," Commissioner Steve Novick said Thursday, "and I'm tired of voting for tax increases."

"But," he continued, "we have a crisis in terms of affordability. And this is a tool that's available to address it."

And with that, the Portland City Council voted unanimously Thursday to place a \$258.4 million bond measure on the Nov. 8 ballot. If approved by voters, the city has pledged to build or acquire 1,300 rental units for low-income Portlanders, at a cost of nearly \$200,000 per unit, in what would be the city's single-largest effort to create affordable housing.

City officials spent about two hours offering words of support as packs of proponents testified in favor of the property tax. The 20-year bond measure would raise taxes by about 42 cents per \$1,000 of assessed value, or the equivalent of about \$75 a year for a home assessed at \$178,320.

"It'll take all of us, working together, to make a real dent in solving this crisis," said Commissioner Dan Saltzman, who oversees the Housing Bureau and is championing the tax hike.

There were few words of opposition Thursday. They came from Northeast Portland resident Terry Parker, who said the tax was a "Robin Hood scheme" that would increase the cost of housing citywide to help the poor.

"The city's appetite for money has grown out of proportion," he warned.

But supporters likened the tax to a moral imperative. It would pay for 950 newly built units and acquisition of 350 units.

"This bond is a symbol of us standing up collectively and working to save our city," said Israel Bayer, executive director of Street Roots.

If approved, city officials say they'll build or acquire 600 units for the city's poorest residents who earn up to 30 percent of the region's median, or \$22,000 for a family of four. Kurt Creager, director of the Housing Bureau, said in an interview that the "majority of those, if not all 600" would be newly built.

At the same time, officials plan to build or acquire 700 units for residents who earn up to 60 percent of the region's median, or \$43,980 for a family of four.

"We have not overpromised," Commissioner Nick Fish said, "but we're poised to over-deliver."

Proponents are optimistic that voters will support the tax, pointing to housing and homelessness as the top concern citywide.

"Now let's go pass this thing," Mayor Charlie Hales said as he cast the City Council's final vote, drawing cheers from supporters.

The Portland Mercury

Portland Officials Are About to Put A Historic Housing Bond On the Ballot

By Dirk VanderHart

June 30, 2016

Portland City Council will almost certainly make history this afternoon. At 2 pm, the council's taking up a long-anticipated \$258.4 million housing bond, which voters will consider on the November ballot.

Other cities have had dedicated tax money for housing for decades—Seattle's passed one bond and four levies since 1980, and has a \$290 million measure coming up for a vote in August.

Portland, meanwhile, has never even attempted it. It never was forced to. The city's growing pains have only recently thrust us into the housing emergency making living here an increasingly difficult proposition for many Portlanders.

As Steve Rudman—the city's housing director from 1992 to 2001 and a former director of housing authority Home Forward—told the Mercury this week: "It wasn't a top-tier issue. Now it is. Affordable housing trumps all other issues."

As we've reported, the housing bond would be spent over the course of five to eight years, and paid off over 20. The Portland Housing Bureau, after lots of deliberation, has promised what proponents believe are some very safe numbers: 1,300 new or preserved affordable units, serving an estimated 2,900 people.

Advocates with the Welcome Home Coalition, which has been laying the groundwork for this afternoon's vote for years, say there's no chance the city won't hit those numbers.

"The housing bureau didn't want to put out a number that was aspirational," said Amy Ruiz, a spokesperson for the campaign (which formally kicks off tonight). "They wanted to put out a number that was a floor."

The bond measure council plans to refer this afternoon is historic in another way: It will mark a shift in Portland's central strategy around housing.

Typically, the Housing Bureau has spurred projects by assisting with funding, but hasn't had an ownership stake in completed buildings. That's not going to be the case with projects from the bond, which Portland plans to retain ownership of (advocates weren't able to answer how many buildings they projected the city will own when all is said and done).

"This is more analogous to a library or park," Rudman said. "It's that kind of asset."

The housing bond amounts to a drop in the bucket of Portland's need. The city is short an estimated 24,000 affordable units today. But it's also another step in a string of increased funding for housing the city's taken lately.

Just yesterday, City Council passed a 1 percent tax on construction projects that will bring in an estimated \$8 million a year for housing. Officials have recently upped the amount of urban renewal money dedicated to housing projects, and ensured that tax money collected from services like Airbnb (a little more than \$1 million a year) goes toward housing.

"I wouldn't say we're not making an enormous and significant community-wide dent," says Jes Larson, the Welcome Home Coalition's executive director. "With this bond we can focus on where the greatest need in our community lies."

Nearly half of the promised units from the housing bond, 600, will go toward the poorest of the poor: Portlanders who earn 30 percent of the city's median family income or less. That's a yearly income \$22,000 for a family of four. The rest would be for people earning 60 percent of the MFI or less (\$43,980 per year).

The bond campaign carries an air of inevitability. Welcome Home members have conducted three polls, and are confident they've hit a tax amount Portlanders are willing to pay (property tax bills will be \$75 higher for the average Portland home, the campaign says). They're not sharing polling data.

Proponents also have seen a good deal of their campaigning done in the last year, through the sheer chaos the steepest rent increases in the country have wrought on the city. And they don't anticipate any organized opposition.

Still, the issue is just one of several ballot measures that could reach into Portlanders' pocket books this November. The city wants to slap a 3 percent sales tax on recreational marijuana sales. Labor unions want to enact a big increase on corporate sales tax (which, we're told, would cause price increases). And Portland Public Schools, mired in a lead scandal, wants voters to enact a bond.

The Welcome Home Coalition members don't see those as potential rivals.

"The issue is incredibly salient," says Larson. "We expect when they get to 'Yes for Affordable Homes' on the ballot, [voters] are going to be excited to say 'yes.'"

The Daily Journal of Commerce

All about affordability

By Chuck Slothower

June 30, 2016

In a fifth-floor conference room at the Portland Housing Bureau's downtown headquarters on Tuesday, Dike Dame gazed at a packet of papers.

Near the end of a three-hour meeting with consultants hired to analyze the economic effects of possible inclusionary zoning regulations, the principal at Williams & Dame Development wanted to make a point.

"We're not going to know if this works until it's out there and we're trying to implement it," he said to the consultants sitting across from him. "If we mandate a whole bunch of things that aren't going to work in the real world, nothing's going to happen."

That's the rub for the Inclusionary Housing Panel of Experts, a committee of developers, architects and affordable housing advocates convened by Commissioner Dan Saltzman. The committee's charge is to evaluate possible inclusionary zoning regulations, and to recommend a set that provides affordable housing without discouraging development.

Developers have warned city officials that their business runs on tight margins, and more expensive regulations could slow multifamily development – the opposite of what's needed to ease Portland's housing emergency.

During a monthly meeting on Tuesday, the group waded into the details of data modeling meant to determine whether inclusionary zoning regulations will be too costly. In some cases, developers on the committee pushed consultants from David Paul Rosen & Associates to accept higher estimates for predevelopment costs.

Greg Goodman, co-president of Downtown Development Group, said the Premier Press building in the Pearl District sold for \$660 per square foot – well above the consultants' upper-end estimate of acquisition costs. And Mill Creek Residential Trust paid more than \$600 per

square foot for a Pearl District block where it proposes to build Modera Davis, a mixed-use building with 150 residential units.

Goodman said the consultants' estimates of less than \$300 per square foot "grossly understates the downtown core values."

Downtown Development Group has spent \$2 million on predevelopment for a downtown proposal, Goodman said. And that's just to get to the point where the developer can submit a completed planning application to the Bureau of Development Services.

"It's real money before you know if it's a go or no go," he said.

Goodman urged the consultants to take into account transportation demand management, a Portland Bureau of Transportation program that is under development. The program could levy hefty fees on developers in the Central City, he said.

Dame told the consultants that the figures need to take into account floor-to-area ratio.

"Without understanding the FAR, these numbers are irrelevant," he said.

Dame also urged the consultants to use a real-life case study in their modeling to test how regulations would affect a development.

The looming regulations are leading developers to move quickly on predevelopment. Any project for which a permit application has been made will be grandfathered in, meaning developers who apply before inclusionary housing regulations take effect won't have to accept less profitable rent-restricted units and uncertain rules.

The Bureau of Development Services is working to hire 23 additional employees to process the expected wave of permit applications, on top of an already heavy workload.

Staffers at the Bureau of Planning and Sustainability are working on how to structure the inclusionary zoning code, the consultants said.

The Oregon Legislature in March passed a law opening the door for inclusionary zoning at the urging of Portland leaders seeking a solution to the city's lack of affordable housing.

The city of Portland soon hired David Paul Rosen & Associates, a consulting firm based in Oakland, California, and local group ECONorthwest to analyze the potential economic effects of inclusionary zoning regulations.

"We're trying to steer a course that doesn't sink development and provides a reasonable community benefit," said David Rosen, principal of the consulting firm.

The new law allows cities to require multifamily projects of at least 20 units to include 20 percent affordable units, available to renters or buyers at 80 percent of the area median income. Developers must be offered an option to pay a fee in lieu of building affordable units. And the law requires municipalities to offer a range of incentives, something Portland's inclusionary zoning committee is expected to delve into at future meetings.

The group will hold a meeting in July and another in August. The consultants said recommendations will be forwarded to Saltzman's office in early September, and the City Council could consider them in late November.

Some other committee members expressed frustration that they had little to contribute to the discussion on financial modeling. Lisa Bates, a Portland State University urban studies and planning professor, repeatedly asked the consultants when she could weigh in on affordable housing policy.

The developers continued to push the consultants to consider hidden costs.

“This stuff either pencils or it doesn’t,” Dame said.

Read more: <http://djcoregon.com/news/2016/06/30/all-about-affordability/#ixzz4DBSN1EWv>

Portland City Council approves construction excise tax

By Garrett Andrews

June 30, 2016

The Portland City Council passed 1 percent taxes on new commercial and residential development to help pay for affordable housing.

The council voted 5-0 to make Portland the first Oregon city to pass a construction excise tax since the state Legislature last session struck down a provision banning them.

“The lack of affordable housing is the greatest crisis facing our city right now, and the current market conditions are only increasing the crisis,” said Commissioner Dan Saltzman, sponsor of the tax, at Wednesday’s regular meeting. “I want to be clear that this construction excise tax is a tax on new development that ensures that growth pays for growth.”

Commissioner Steve Novick said he supported the ordinance with a reservation.

“As a stand-alone proposal I think this construction excise tax is well-calibrated, and the need for affordable housing is great,” he said. “However, I think that we do need to take a look comprehensively at all of the fees and taxes that we have on development. These costs do add up, and more and more fees will eventually tip the scales against a new development.”

As a companion policy to the tax, the council is considering whether to ask voters in November to support a \$248 million bond to fund affordable housing.

Under the new law, developers of residential and commercial improvements in Portland will pay a tax of 1 percent of the value of their improvement.

A number of development types are exempt from the ordinance. They include affordable housing units, public and private school improvements, religious and agricultural facilities, some nonprofit facilities, and all improvements valued less than \$100,000.

The tax was enabled by a package of affordable housing bills passed in the most recent legislative session. For 17 years, Oregon previously had a ban on construction excise taxes.

Over the past five years, the tax would have raised an annual average of \$8.1 million (\$5.4 million from residential development; \$2.7 million from commercial), according to the Bureau of Development Services.

Four percent of total revenue will go to the BDS to cover administrative costs. The remainder will go to the Housing Bureau, which will administer affordable housing production and preservation programs.

Revenue from the residential tax will be split – 35 percent will go to affordable housing programs in Portland, 50 percent will go to developer incentives and 15 percent will go to the state.

One-hundred percent of revenue from the commercial tax will go to affordable housing programs.

The Portland Business Journal

Nick Fish sees a more beneficial use for city property than Homer Williams' homeless camp

By Jon Bell

July 1, 2016

Developer Homer Williams has gotten a lot of people talking with his idea for a \$100 million campus for the homeless in Portland.

The idea, inspired by a similar project in San Antonio called Haven for Hope, would offer temporary and permanent housing options as well as a range of social and health services to help the homeless find stability.

One of the places Williams' has pitched as a location for his version of the project, which he would call the "Oregon Trail of Hope," is a 14-acre stretch of city-owned riverfront property known as Terminal 1.

Some in the city, however, have a different idea on how that property should be used.

Commissioner Nick Fish is one of those people. In a guest column for the Business Journal this week, Fish writes that the property, which is currently for sale and expected to nab offers "well above the assessed value of \$8.6 million," will better serve the public as a source of job creation.

In addition, selling the property would generate much-needed funds for the Bureau of Environmental Services.

Fish is supportive of Williams' idea, he just thinks that the Terminal 1 property is not the place for it. [Read his entire column here.](#)

Nick Fish: City's sale of T1 is about creating jobs

Guest opinion: The Portland city commissioner argues that the prime industrial site isn't the best spot for Homer Williams' proposed homeless campus.

By Nick Fish

July 1, 2016

Portland faces two big challenges: persistent homelessness and a shrinking middle class. To address both, we need to grow our local economy and invest in family-wage jobs.

Recently, Homer Williams, a local developer, proposed the “Oregon Trail of Hope,” a big idea to address the homeless crisis. His vision, borrowed from San Antonio, Texas, is to build a campus with shelter, transitional housing, and services in one location. It’s a familiar model, echoing the one-stop concept of Bud Clark Commons. Williams has even offered to raise tens of millions of dollars to fund it. I believe his innovative proposal deserves serious consideration.

In the search for a possible home for the concept, some have suggested Terminal 1, 14 acres of prime industrial land located in the NW Industrial District. For a number of reasons, I think it is shortsighted to reduce our already scarce inventory of industrial acreage.

Terminal 1 was purchased by the Bureau of Environmental Services (BES) in 2004 as part of the “Big Pipe” project. It was used as a staging area for the billion-dollar construction project, designed to divert stormwater run-off from our rivers. With the project completed, BES no longer needs the property.

Terminal 1 is identified in our just-adopted Comprehensive Plan as “prime industrial land,” and is a key part of our jobs forecast for the next 20 years. The existing zoning is very restrictive. The site is zoned “heavy industrial” with a Willamette Greenway River Industrial Overlay. It does not allow for shelters or schools, and requires river-dependent uses. According to the city’s Planning Bureau, it would be very difficult to change the zoning due to the shortfall of Harbor Access Lands, the requirements of Oregon’s Statewide Planning Goal 9, and its designation by Metro as a “regionally significant industrial area.”

A year ago, at my request, City Council declared Terminal 1 “surplus property,” triggering a disposition process. No public agencies expressed an interest in purchasing this property, nor did anyone voice concerns about its sale.

BES hired Colliers International to serve as its commercial broker. Last week, they officially listed Terminal 1 for sale. Because of a shortage of industrial property, and a hot market, we expect to receive offers well above the assessed value of \$8.6 million.

The sale of Terminal 1 to a commercial buyer is clearly in the public interest.

First, it is good for our utility ratepayers. All proceeds from the sale will be placed in the BES Construction Fund, which will allow BES to delay future bond sales, stabilizing rates.

Second, it will add family-wage jobs to our community. As the Portland Business Alliance noted in their “Value of Jobs” report, river-dependent industries employ thousands of people, and indirectly support nearly half a million jobs in Oregon.

Finally, it will strengthen our tax base, helping us pay for the services and homes necessary to end homelessness.

Although I don't believe Terminal 1 is the right location for the "Oregon Trail of Hope," I applaud Homer Williams for stepping up with a bold vision to address the housing emergency, and for pledging to raise substantial private funds. Moving forward, the city should protect Terminal 1 for economic development, and partner with Williams on his proposal.