

The Oregonian

Mayor meets with Don't Shoot Portland activists outside City Hall after moving afternoon meeting

By Samantha Matsumoto

September 27, 2016

Mayor Charlie Hales met with members of a Portland activist group Tuesday evening, addressing concerns about protest policing and purported police brutality, among other topics.

Protesters from activist group Don't Shoot Portland also queried him about police discipline and training, racial profiling and what he's doing to help black people during an informal Q&A outside City Hall.

The meeting took place more than 3 hours after schedule, as Hales said he moved the forum to a Northeast Portland church because he didn't want to see protesters occupy City Hall.

But activists stayed put outside City Hall — which they adorned with a large banner proclaiming "#BLACKLIVESMATTER" — until he arrived. Some speakers voiced their disapproval about him moving the afternoon meeting.

"They shut down City Hall, they misdirected our community by telling them we all intended to move this meeting to Northeast Portland," Teresa Raiford, one of the Don't Shoot leaders, said earlier Tuesday.

After Hales left the meeting some 50 minutes later to a chorus of unpleasantries, a group organizer voiced a series of demands.

Gregory McKelvey, also the group's spokesman, said the group demands Hales doesn't sign — and comes out against — a contract between the city and the Portland Police Association. The City Council is scheduled to ratify the agreement Wednesday morning.

He said the group also demands "an end of police brutality" at their protests, that gang-enforcement officers don't police their protests and that talks start about phasing school resource officers out of city schools.

Hales said he told the group about the change of venue, which he also posted about on Facebook. McKelvey said Hales reached out to a member of the group who isn't one of its leaders.

Don't Shoot Portland is an off-shoot of the "Hands Up, Don't Shoot" movement sparked by the 2014 death of Michael Brown in Ferguson, Missouri. The 18-year-old black man was unarmed when he was fatally shot by a white police officer, sparking protests in major cities across the country.

Numerous deadly, high-profile shootings have been documented across the country ever since, including in Baltimore, New York and Chicago. The fatal shooting of Keith Lamont Scott, 43, sparked days of protests last week in Charlotte, North Carolina. In Tulsa, Oklahoma, prosecutors have charged a white police officer with manslaughter for killing 40-year-old Terence Crutcher, an unarmed black man, on Sept. 16.

Crutcher and Scott are among at least 715 people — nearly a quarter of them black — killed by police this year, according to the Washington Post, which maintains a national database on police shootings.

The meeting comes on the heels of a Friday demonstration against police brutality, in which about protesters staged a 4½-minute "die-in" on the Burnside Bridge and later entered City Hall, demanding to speak with Hales.

Hales told protesters Friday that he and Portland Police Chief Mike Marshman would meet with them Tuesday afternoon at City Hall.

One person was pepper-sprayed during Friday's march after he "charged an officer or officers," Portland police spokesman Sgt. Pete Simpson said.

Micah Rhodes, one of Don't Shoot Portland's leaders, said officers pepper-sprayed him after he tried to stop one of them from riding a bicycle into a protester.

Rhodes ran up to the officer and told him to stop. Then, an officer cursed at him and pepper-sprayed him, he said.

Raiford said many officers were aggressive and attacked protesters.

"We were brutalized and attacked by force," she said.

The protesters went to the mayor's office on Friday to discuss their concerns about officers with him, Raiford said.

McKelvey said members of Don't Shoot Portland plan to stay overnight outside City Hall and attend the City Council meeting Wednesday.

'Camp Amanda' homeless campers resist city notices to vacate public land

*By Tony Hernandez
September 27, 2016*

A cluster of homeless campers who moved off the Springwater Corridor earlier this month plans to stand its ground and risk arrest now that the city has noticed the group's new spot and ordered the small faction to move again.

The spot — a tidy gathering of tents lined with trash bins, chairs, and lots of outdoor gear — is "100 percent better," said Jackie Hooper, 51. "It's smaller. No shootings. No fires. No fights. It's peaceful. It's harmony."

This is where Hooper and about a dozen others landed after Mayor Charlie Hales set a Sept. 1 deadline to sweep Portland's 14-mile stretch of the Springwater trail and start enforcing the city's ban on outdoor camping.

They call the place Camp Amanda -- part of the city-owned Foster Floodplain Natural Area, bounded by Southeast Foster Road on one side and Johnson Creek on the other. It takes 120 paces along a windy path from Foster Road to get to their enclave, out of the view of traffic.

It's less than 300 yards south of the Springwater, but the group considered it far enough away from the popular trail to escape the city's crackdown.

Then last Friday, workers posted illegal campsite notices at the encampment, giving seven days for the group to leave.

Most shelters don't allow pets and make people leave in the morning every day, so Hooper said she chooses to live outdoors.

"Where am I going to go? Where? I've got to pack up my two cats that I can't carry. I don't care about any of this stuff. I care about my two cats," she said.

Campers developed a code of conduct and they take out trash every other day, said Hooper, who lived on the Springwater for about six months before moving here. Her boyfriend, Jesse Sadler, rides his bike with a cart full of trash bags to the Clackamas Service Center about two miles away, she said.

For bathrooms, they dug two latrine holes and lined them with plastic bags, Hooper said. They throw away half-full plastic bags of sewage instead of dumping the waste on the land and in the creek, she said.

But the city has had reports that "campers in this area are doing serious harm to the creek, including destroying beaver dams," said Brian Worley, Hales' spokesman. "No one from the city has given the campers approval to set up at this site and it is not considered low-impact."

So far no one living on or near the Springwater has been arrested just for homeless camping since the sweep began, Worley said, and the city considers it a last resort to put people in handcuffs if they refuse to leave.

Cleanup crews have begun the final phases of the overall cleanup. As of Sept. 20, they have been focusing on wetlands on the east side of Southeast 111th Avenue, not far from Camp Amanda— named for Amanda Reese, a homeless advocate who helped create the advocacy group Rose City Backpacks of Hope.

The Camp Amanda campers migrated from "Lambert Field" – the biggest and dirtiest outpost along the Springwater and first place targeted in the city sweep.

The largest coordinated homeless sweep under Portland Mayor Charlie Hales began in Southeast Portland on Thursday.

For the next few months, they just need temporary space to sleep while city officials work to open up more shelter beds and outreach workers scramble to find other options for the hundreds of people still sleeping on the streets, Reese said.

"We're going to stand out and protest everyday until they show up," Reese said, "and when they do show up, we're going to lock arms and stand our ground."

The city will continue to ask service agencies to help find a spot for the people to go, Worley said. If the Camp Amanda campers remain, the city likely will post new notices with a new deadline to vacate, he said.

"In addition to the new Hansen Shelter that opened in July and Gresham Women's Shelter that opened just last week, regional partners are opening an additional 120 beds later this fall at the

McLoughlin Resource Center for people to use," Worley said. "In all, more than 450 shelter beds will be open by fall."

City officials have stressed that homeless people leaving the Springwater can still camp, but in small groups through "low-impact" camping without elaborate structures.

Camp Amanda doesn't appear to fit that definition.

Hooper said she's going nowhere. After her landlord declared bankruptcy and kicked her out, she's been trying to find a home, she said. To make matters worse, she said she recently lost her job as a medication aide and she's trying to find other work, she said.

Living in a campsite already makes that difficult. She can shower only twice a week at the Clackamas Service Center.

"You don't want to go to an interview dirty. So I'm just trying to coordinate a shower and then go look for a job. But now, here come the sweeps."

Spokesman Brian Worley sent the following statement to The Oregonian/OregonLive:

The area of 114th and Foster on the Springwater was re-posted for notice of cleanup this past Fri. Sept. 23. This is in addition to the no camping notices that were posted before the Sept. 1 start date along the entire trail. This location is part of the 14-mile city section of corridor, and was scheduled within Phase 4. At the time of the additional re-posting Friday there were about 8-12 campers at the site. The cleanup of the site is scheduled to begin this week, likely today depending on resource availability. Please note, cleanup work continues along the entire 14-mile section of the City's portion of the Springwater Corridor. Like all city owned property along the Springwater and across the city, any new cleanup or post-cleanup maintenance and restoration work will be coordinated by the landowning bureau through OMF's Campsite Cleanup Service, in this case Parks and BES.

The Springwater Corridor, including this location of Brookside Park within the Foster Floodplain Natural Area, are extremely environmentally sensitive areas. According to reports campers in this area are doing serious harm to the creek, including destroying beaver dams. No one from the City has given the campers approval to set up at this site and it is not considered low-impact.

As Mayor Hales has said before he has resisted moving campers from areas because we don't yet have good options for all the people living on our streets. That continues to be true. Recognizing that, Mayor Hales remains committed to treating homeless people humanely and compassionately; not criminalizing homelessness; and maintaining safety and livability in public spaces.

Intensive social service outreach has continued for ten weeks on the Springwater — two weeks initially planned, four weeks more in the date change, and four weeks since Sep 1. But from the beginning, the mayor invested in intensive outreach to help people off the trail and into services.

The ultimate goal is to have enough housing and shelter capacity for everyone who needs it.

In addition to the new Hansen Shelter that opened in July and Gresham Women's Shelter that opened just last week, regional partners are opening an additional 120 beds later this fall at the McLoughlin Resource Center for people to use. In all, more than 450 shelter beds will be open by fall. Meanwhile, work continues on housing affordability after the City's unprecedented investments — \$356.35 million dedicated to affordable housing, rent assistance, homelessness outreach, and related programs.

The Portland Tribune

Don't Shoot PDX protesters angry that meeting moved from City Hall

*By KOIN 6 News
September 27, 2016*

Black Lives Matter protesters went to City Hall Tuesday to meet with Mayor Charlie Hales, but were told the meeting Hales promised on Friday had been set for a Northeast Portland church instead.

That upset some of the protesters, who were angered that the meeting wasn't going to be in City Hall.

The mayor's office said the meeting would be held at the Vancouver Avenue First Baptist Church. According to Don't Shoot PDX organizer Teressa Raiford, no one from the mayor's office told them it wasn't still set for City Hall.

Then, in the early afternoon, City Hall was locked.

"Mayor Hales is a liar," Raiford said at a press conference Tuesday afternoon, Sept. 27, outside City Hall.

Another organizer said the non-communication and City Hall lockout feeds into the same reason "why black people get shot."

Asked why they didn't just meet with the mayor at the Baptist church, Raiford said they had told people to meet at City Hall, convinced them to come, and felt disrespected by the lack of communication. She also said Hales hasn't spent time with the community that wanted to meet.

The group leaders said they have no intention of leaving City Hall until the mayor comes back. "Eventually he has to come here," protester Greg McKelvey said.

Later Tuesday, Hales met with the protesters at City Hall, answering questions from the crowd.

List of demands

McKelvey said that during the Sept. 23 march through downtown, some protesters "were assaulted, hit, pepper sprayed and/or had some form of bullets fired at their feet. Video evidence of these events exist and has been reviewed by Don't Shoot Portland."

When he met with the group in the City Hall atrium, Hales heard reports of what he called inappropriate reactions from members of the Portland Police Bureau during the protest, and encouraged anyone who experienced excessive force from police to file a complaint. On Tuesday, Hales said Marshman would be able to talk about those complaints.

But McKelvey said “general meetings will not change anything if not prefaced by reasonable demands.” Among those demands:

- Stop the new Portland Police Association contract until Ted Wheeler takes over as mayor
- Make all bargaining sessions with PPA public
- Change the binding arbitration clause so those who are fired stay fired
- Move deadly force incidents to a civil service board so a judge, not an arbitrator will make the decision
- Stop sending PPB gang officers to protests

The Sept. 23 march was in response to recent police shootings in Tulsa, Okla., and Charlotte, N.C. The Portland march began in Northeast Portland, weaved its way through streets and bridges and wound up inside City Hall, where Hales stood for several minutes talking with protesters.

Automatic payments available for water and sewer bills again

By Jim Redden

September 27, 2016

Portland water and sewer customers can once again have their bills paid automatically.

The Portland Water Bureau has reinstated its Auto Pay program that allows customers to choose to have payments automatically deducted from their checking accounts. The water bureau uses the same bill to collect payments for the Bureau of Environmental Services, which operates the city’s sewer and stormwater management programs.

The water bureau suspended its Auto Pay program one year ago because the previous provider did not comply with numerous security standards that protect customer’s cardholder data. The new provider, Invoice Cloud, meets those standards.

The bureau is publicizing the return of AutoPay on its billing envelopes and bills and with information posted online. Customers who previously had AutoPay will be sent a postcard in the mail letting them know that it’s back. It will also be communicated in upcoming newsletter inserts that accompany our bills.

There is no fee for the service. To learn more and sign up, visit www.portlandoregon.gov/utilitybill.

Willamette Week

Portland Needs to Build Thousands of Affordable Apartments. Here's Why It Keeps Coming Up Short.

By Nigel Jaquiss

September 28, 2016

If there's anything Portlanders can agree on in a fractious election year, it's that residents of this city—especially those with low incomes—need more housing.

That's why a ribbon-cutting ceremony held this summer at one of downtown's stateliest apartment buildings felt like Christmas in July.

In a sun-dappled courtyard, City Commissioner Dan Saltzman basked in the applause of developers and dozens of residents.

The crowd was celebrating the reopening of the Bronaugh, a 50-unit apartment building at Southwest 14th Avenue and Morrison Street. The city had financed REACH Community Development's \$14.65 million purchase and renovation of the building to house those who make less than \$15,400 a year.

"In Portland, we strongly believe that downtown should be a place where people of all incomes can live," Saltzman said.

Not up for discussion that day: Whether the city had gotten the most housing possible for its investment.

The renovation of those 50 apartments had cost \$514 per square foot. That's twice as much as the new construction of market-rate apartments springing up all over the inner eastside without public subsidy.

In other words, the city could have built 100 new units for the amount of money it spent restoring 50.

Today, state and city elected officials are rushing to respond to Portland's housing crisis. Salem will consider aggressive legislation next year. And the City Council voted in June to put on the November ballot a first-of-its-kind, \$258 million housing bond for Portland.

The quarter-billion dollars would be in addition to the record \$153 million the Portland Housing Bureau will spend this year to help find or build housing for low-income Portlanders.

Dozens of interviews and an examination of bid documents, contracts and other public records reveal patterns in that spending. First, although Portland has deployed enormous resources to house people, city officials have paid little attention to delivering the most housing for the money spent.

And second—rather than private, for-profit developers, those benefiting from the city's largesse are nonprofits.

"The Housing Bureau isn't interested in economic efficiency or helping the greatest number of tenants," says Portland State University professor Gerard Mildner, who once served on the

board of REACH, the Bronaugh redeveloper. "They are trying to help a constituent community of nonprofits and advocates."

Housing Bureau documents are clear: "Increasing the availability of affordable rental housing is priority one."

In the past decade, the Housing Bureau has spent \$735 million. The city doesn't have annual figures on how many units it created during that time—but government-subsidized housing in Portland increased over the past 10 years by 9,363 units.

If increasing the supply of affordable housing were in fact the top priority, by one calculation the bureau could have added at least 1,000 additional units—enough to house as many as half the people currently sleeping on the city's streets. (See "How to Build 1,000 Units," below.)

"Our government is so caught up in efforts to appease so many interests that they step right over that guy on the sidewalk to accomplish other goals," says Tom Brenneke, who develops market-rate and affordable housing. "We've spent a ton on homelessness and haven't moved the needle."

Last year, housing developer Rob Justus presented Portland Mayor Charlie Hales with a proposal: If the city could come up with \$20 million, Justus could combine it with other financing to produce 1,000 units of new, low-income housing.

The approach of Justus' company, Home First Development, offered a partial solution to the worsening housing crunch. Hales praised Home First in his 2015 State of the City address.

"They're not building Cadillac spaces, but building small, quickly and well," Hales said. "We need these types of creative solutions because we need housing stock now."

Blunt and intense, Justus is a veteran of the city's struggle to address homelessness. He founded a nonprofit called JOIN in 1991 and spent the next 16 years helping people living on the street find housing.

Justus became a housing developer in 2007. "I was frustrated with what wasn't happening," he says. "There just weren't enough units being built."

Home First Development has now built 213 apartments, with 207 under construction, but the company still doesn't have an office. Justus holds meetings in coffee shops and at the Green Dragon pub on Southeast 9th Avenue.

Justus says after Hales' speech, communication from the mayor's office stopped. A Hales aide, Jillian Detweiler, says the city approached two charitable foundations about funding Justus' idea but couldn't pull together the money.

Fast-forward 18 months. The City Council is now asking voters for \$258 million to build, buy or renovate 1,300 units. That's nearly \$200,000 of public money per unit—10 times the subsidy Home First requested.

That cost difference may seem like a misprint. But Justus says it's characteristic of the city's approach.

"The focus of the affordable-housing industry in Portland has not been on serving people," he says. "The industry and the funders have not looked at efficiency—they've done 'cool' projects with lots of expensive bells and whistles."

The Housing Bureau was created in 2009 at the urging of City Commissioner Nick Fish. From the day he won election in 2008, Fish pushed to combine all of the city's housing efforts in one place—and to beef up funding. He succeeded on both fronts.

Fish rejects Justus' criticism of the Housing Bureau. He says Home First Development performs an important function but does so on projects of lower quality and less durability far from the central city.

Fish says focusing on low costs is "penny-wise and pound-foolish."

"You could reduce the expense of our projects—but at what cost?" Fish says. "We do high-quality work in neighborhoods where people want to live. I'm not going to compromise on those values—we should celebrate them."

"Affordable housing" is publicly subsidized and usually built by developers who agree to limit rents in exchange for public financing. In Portland, as in many cities, developers rather than the Housing Bureau own the finished buildings.

Affordable-housing units constitute 13,000 of the 250,000 households in Portland: about 5 percent.

The Housing Bureau has spent an average of \$73.5 million annually in the past decade on housing and homeless services. Much of the money has gone to nonprofit developers such as Home Forward (formerly the Housing Authority of Portland), Central City Concern, and REACH Community Development. (Some of the Housing Bureau's spending goes to shelters, rent subsidies, foreclosure avoidance and programs other than construction.)

Unlike public services such as police, parks and streets, which are available to everybody, housing dollars are rationed. City officials say there is a shortage of 25,000 affordable-housing units in Portland.

"There are many more people who are eligible for subsidized housing than can be served," says Mildner, the PSU professor.

That scarcity raises the stakes for how the city spends its affordable-housing funds. Given the shortage of affordable units, you might expect the city to try to build the greatest number of apartments for available money by awarding funds to the lowest bidder.

In fact, the opposite often happens: The city shows little regard for the cost per square foot of publicly subsidized housing.

Even beyond safety and design requirements, the projects the city subsidizes often include an array of expensive features—high-end architects, wraparound social services, and LEED Platinum environmental certification—to help win funding competitions that are effectively beauty contests.

Here's how a 2015 report from the Meyer Memorial Trust examining the cost of affordable housing diagnosed the problem:

"There is pressure to bring in design ideas that go above and beyond the simplest, most basic housing," the report said. "This pursuit of additional points tends to drive up costs in the absence of strong incentive for cost efficiency."

Part of the reason the Housing Bureau's deals deliver fewer apartments than might be possible is that the bureau regularly violates its own guidelines for keeping costs low.

Consider Greenview Terrace, a 31-unit project at Southeast 148th Avenue, just south of Stark Street.

The Housing Bureau often loans money to nonprofits to build affordable housing. The loan is interest-free and has no repayment schedule—it is, in effect, a gift. That was the arrangement with Rose Community Development, which in 2013 purchased and renovated Greenview Terrace. (Established in 1991, Rose owns 331 apartment units in outer-Southeast Portland and has a \$2.6 million budget.)

City guidelines limit Housing Bureau loans to 100 percent of appraised value. Records show, however, that the bureau loaned Rose \$2.82 million for Greenview Terrace, almost three times the project's appraised value.

Rose used the money to rehab Greenview Terrace, but at the end of the project, rent restrictions made its value a fraction of the city's investment. Financial projections show Rose is unlikely to pay back the loan.

Rose acquired and renovated Greenview Terrace for \$172,000 a unit, twice what Justus was spending to build a new project at the time in a nearby neighborhood. And contrary to city guidelines, which require developers to use their own money to invest at least 2 percent of a project's value, Rose did not spend a dime of its own money on the project.

Housing Bureau director Kurt Creager, who arrived in 2015, says he is tightening the rules. Rose executive director Nick Sauvie says very low tenant incomes required the large subsidy.

The beneficiaries of the city's generous subsidies are almost always, like Rose, nonprofit developers.

In the past two years, the city has agreed to put \$61 million into 13 affordable-housing projects. All but one of them are being developed by nonprofits. Only \$4.5 million of the \$61 million is going to a for-profit developer.

To his credit, City Commissioner Saltzman, who oversees the Housing Bureau, in 2014 implemented maximum-cost-per-unit standards for projects financed by the city. (According to standards, one-bedroom apartments should cost less than \$243,750, and two-bedroom units less than \$337,000.)

The problem is, the limits don't necessarily mean anything.

This year, for instance, the Housing Bureau and Saltzman awarded Portland Community Reinvestment Initiatives the funds to develop a project on land near the intersection of Northeast Martin Luther King Jr. Boulevard and Rosa Parks Way, even though it included fewer units and required more subsidy per unit than a competing project.

PCRI, which manages 700 units of affordable housing, has struggled financially. In 2013, records show, the city gave PCRI an \$8 million bailout.

PCRI's cost for the current project will be \$335,000 per unit—about twice the cost of typical new market-rate developments on the eastside, and above the maximum costs allowed by city guidelines. Yet it won funding anyway. (Saltzman told *The Oregonian* last week that he reversed the decision in response to concerns from PCRI and black community leaders.)

Saltzman acknowledges the Housing Bureau has put other priorities ahead of efficiency. "We haven't paid a lot of attention to costs in the past," he says. "We need to do better."

The Housing Bureau's willingness to bend its own rules when doing business with Rose Community Development and PCRI is evidence of the significant influence nonprofit developers exert at City Hall.

When the city solicits proposals from developers, panels of city and county officials make recommendations. The written comment of a panel member about the challenges faced by a developer competing with PCRI was telling: "For-profit developer," the panelist wrote as a criticism, records show.

Creager acknowledges that nonprofit housing developers wield substantial clout at City Hall. "They all have boards, and all the boards are politically connected," he says. "That's about 350 politically connected people associated with them."

In addition to funding new apartments, the Housing Bureau spends heavily to renovate existing buildings.

Of the 901 affordable-housing units the city agreed to fund this year, only 646 will actually be new units—apartments that don't currently exist. The rest are existing units that will be renovated. (The proposed bond has a similar structure: Only about 975 of the planned 1,300 units will be new construction.)

That sometimes makes sense because all buildings eventually need renovation. But records show that rather than financing construction or purchasing relatively inexpensive buildings, the city has poured money into buildings that are small, old and located in the most expensive parts of Portland.

In 2008, the City Council voted to renovate 11 affordable-housing properties in the central city by 2013 to preserve aging buildings and the federal rent subsidies attached to them.

"If we hadn't stepped in, those units would all be condos today," Fish says. "Instead, we preserved 700 deeply affordable units in the most desirable parts of the city for 60 years."

From 2013 to 2015, the city subsidized the completion of just 773 new units, while renovating 638 units.

One current city-financed renovation deal with an eye-catching price tag is Central City Concern's renovation of downtown's Henry Building.

The Henry consists of 153 studio apartments of 150 square feet each, with shared bathrooms. It serves people who make far less than 30 percent of median family income.

The Henry will soon undergo a top-to-bottom rehab that will cost nearly \$1,000 per square foot of actual living space—four times the cost of new development.

Records show a panelist in the city's recent affordable-housing funding decision said the project made no sense.

"It is more expensive to rehab this building than it would be to build a new building," the panelist said.

Sean Hubert, Central City Concern's housing director, says seismic repair accounts for much of the cost. He says at-risk residents would be difficult to relocate if Central City were to sell the building.

"What we're doing is cost-effective," Hubert says.

Critics say renovations are often inefficient.

"Rehabs eat up too much money," says Tom Kemper, a longtime developer of affordable housing in Portland who now runs Housing Works, a Central Oregon public-housing agency. "That's a really significant issue."

Dan Valliere, executive director of REACH Community Development, which renovated the Bronaugh and manages more than 2,000 units of affordable housing, says critics miss the maze of expensive state and city requirements, spiraling costs and challenging tenants.

"How can we make affordable housing more efficient? That's the right question," Valliere says. "But what we do is really frickin' hard, and it's not valued."

The \$258 million general obligation bond measure city officials put on the November ballot contains no cost-containment measures. But it is a change from the status quo.

It's even less cost-effective.

Currently, developers combine city subsidies with money from the state and other sources to fund their projects. Every city dollar leverages as many as five outside dollars.

But the Oregon Constitution limits the use of general obligation bonds in a way that requires the city to own 100 percent of the projects built with bond money. That restriction means the city cannot leverage outside funding with the bond.

That's why the city is budgeting nearly \$200,000 in bond money per unit, far more of a subsidy than it spends on current projects.

On Sept. 19, Denver, facing a housing crunch similar to Portland's, approved a \$150 million tax increase that will generate or preserve 6,000 units of affordable housing. That's \$25,000 a unit.

Justus declined to comment on Portland's bond. He's busy working on a project in Bend, where, unlike in Portland, the public-housing agency welcomed him.

Fish is no longer Portland's housing commissioner, but he's spending every spare moment raising money for the bond.

"It's not a perfect vehicle," Fish says, "but it will make a difference."

People classified as homeless on Portland's streets—at least 3,801 by last count, but probably a lot more—are banking on the city spending the money wisely.

Mayor-elect Ted Wheeler says that must happen.

"You can't just declare a housing emergency and keep doing the same thing," Wheeler says.

"We've added a lot of programs to affordable housing that may be socially desirable. But when the goal is to create the maximum number of new doors, we have to reduce costs and get more supply on the market as quickly as possible."

The Wages of Fear

REACH Community Development director Dan Valliere and other nonprofit developers say the best way to save on housing is scrapping a state law requiring payment of commercial-scale union wages for most affordable-housing projects.

"Lowering the cost of construction would be big," Valliere says.

That wage law arose from a dispute a decade ago between the city of Portland and trade-union workers. But the political giveaway was so rich that the union leader who won it tried to give it back.

Bob Shiprack, head of the Oregon State Building and Construction Trades Council and the man who led the fight for union wages on publicly funded commercial projects, told WW in 2008 it was never his intention that affordable-housing projects pay commercial-scale union wages, a decision he called "illogical."

House Speaker Tina Kotek (D-Portland) is pursuing a variety of housing reforms, including rent control. But not this one.

"While labor contributes to the costs of a project," she said in a statement, "I don't believe the prevailing wage is the major cost driver." —NJ

No Housing in Hacienda

The new headquarters of the Hacienda Community Development Corporation in Northeast Portland is a 11,200-square-foot, concrete-and-glass building with offices for the nonprofit's employees.

It was completed last year with a \$2.4 million Housing Bureau loan. City Commissioner Dan Saltzman, who oversees the Housing Bureau, initially rejected the request because it conflicted with a 2009 council ordinance that dedicated the requested funds to "affordable-housing projects that meet citywide housing-preservation policy goals."

City Commissioner Nick Fish and other Hacienda supporters pushed for the loan. Fish says the city policy was ambiguous and the funds could have been forfeited if they weren't allocated to Hacienda. "We had the opportunity to put the money to good use when nothing else was getting done," Fish says.

Under pressure from Hacienda's allies, Saltzman changed his mind. "I relented on the basis that the money will be repaid," he says.

The office building does not include a single unit of housing.—NJ

How to Build 1,000 Units

Observers offer divergent estimates of how many apartments the city of Portland could finance if its goal were producing the most units for the lowest cost.

Home First Development's Rob Justus says the city could build for half the cost. Portland State University professor Gerard Mildner says the city could save one-third of the cost. City

Commissioner Nick Fish says it might save 15 percent, although he thinks that would sacrifice housing durability and city priorities.

Let's be conservative and say it's 10 percent. In the past decade, the Housing Bureau spent \$735 million. Ten percent of that is \$73.5 million.

In April, the Housing Bureau said it would generate 901 affordable-housing units from a city investment of \$47 million. It was able to do so because housing developers leveraged the city's contribution, generating a unit for each \$52,000 of subsidy. If the city were to leverage the 10 percent savings—\$73.5 million—in similar fashion, it could have generated 1,394 additional units.

The Portland Mercury

No One's Policing Lead Dust in Demolition-Happy Portland

By Dirk VanderHart

September 28, 2016

IN A YEAR when environmental hazards have screamed across TV news broadcasts with surprising frequency, lead has had a starring role.

Already on alert from disturbing revelations of carcinogens spewing from two Portland glass factories, parents citywide flew into a panic in May, when it suddenly became clear that Portland Public Schools (PPS) wasn't keeping lead out of their kids' drinking water.

What often gets lost in this important conversation is that there aren't records of anyone getting lead poisoning from water in Portland. As PPS hastened to point out earlier this year: "Health department investigations have traced lead poisoning in children in our community to numerous sources including paint, metal scrapping, hobbies, pottery, and a teapot from a yard sale."

Not water. And that means a bigger cause for concern might well be the backhoe trundling down your street.

As home demolitions reach historic levels in Portland, there are no safeguards against lead dust that can be stirred up when older homes are demolished.

It's an odd oversight. Federal rules dutifully require safety precautions if those same homes are renovated—rules designed to stop property owners and their neighbors from coming into contact with lead, a neurotoxin for which there is no known safe exposure level.

But when the home is torn down? The lead can fly unchecked, potentially creating problems for soil and nearby neighbors.

"It is kind of a strange loophole," says Brett Sherry, a manager of regulatory programs at the Oregon Health Authority (OHA), which enforces federal lead safety rules for home remodels. "If you disturb six square feet, these rules apply. If you knock the whole house down, nothing."

This loophole has been on regulators' radar for years. There has even been talk of crafting legislation to correct the gap, and a law to do so will be floated in Salem next year.

But it's so far gone completely unaddressed. And that has potential repercussions for every neighborhood in the city, as demolitions eclipse pre-recession levels.

According to public records obtained by the Mercury, from January 2014 through August 2016, the city fielded applications for nearly 950 demolition permits for homes built in 1977 or before.

That year is important in the context of lead—1978 is the year the federal government banned lead paint. As the US Environmental Protection Agency puts it: "If your home was built before 1978, there is a good chance it has lead-based paint."

And in Portland recently, a huge number of those homes are being demolished.

Of roughly 973 demolition permits issued or applied for since 2014, 97 percent were for homes built before 1978, according to city records. The demolitions are occurring all over the city, but are especially prominent in Sellwood-Moreland, which has seen 56 demolition applications for these homes since 2014, including at least one property adjacent to a city park.

The Brentwood-Darlington neighborhood had the second-most demolition applications for homes built in 1977 and before, with 38. The Richmond, Montavilla, and Woodstock neighborhoods all had at least 30 applications.

Without any rules in place requiring that lead be addressed, all of these demolitions pose a potential hazard, officials say.

"If you hire someone to knock down a house, it's probably someone with larger equipment like a bulldozer," says Sherry. "They're not certified. They're not trained. There could be lead dust that could contaminate the ground. You could contaminate neighboring yards."

The gaping hole in regulation didn't see widespread coverage until earlier this month, when a group of neighbors began railing against the planned demolition of a home on SE Sherman, which they feared could harm an infant living next door and potentially pollute their soil. (Lead is particularly problematic for young children.)

Kelly Campbell, a neighbor and Executive Director of Oregon Physicians for Social Responsibility, set about calling any agency she could that might be able to force the owners to address lead concerns. The OHA, Oregon Department of Environmental Quality, the state's Construction Contractors Board—they all came back with the same answer, Campbell says: There were no rules limiting lead exposure for demolitions.

"It's this huge regulatory loophole, and I don't know the reasoning behind it," she says. "It makes no sense."

At least some help is on the way. Beginning October 31, any home built in 1916 or before will need to be "deconstructed" under new city rules. That means much of the home will need to be dismantled piece by piece, so its components can be reused.

The new law passed through Portland City Council in July, but not because it would offer safeguards for lead exposure. Instead, it's seen as a means of discouraging demolition by making razing a home more time-consuming, and a way to keep quality building materials out of the landfill.

Still, it might cut meaningfully into the lead loophole. More than a third of houses that homeowners and developers sought to demolish since 2014 were built in 1916 or before, according to city records.

In the wake of Campbell and her neighbors' outcry, officials have been coming out of the lead-coated woodwork to offer their opinions.

"I believe there is a real risk for escaping lead dust to come out of these demolition projects," Perry Cabot, a lead specialist with Multnomah County, told OPB.

State Senator Diane Rosenbaum, who lives nearby, said she was "appalled."

Meanwhile, State Senator Michael Dembrow says he'll take a shot at closing the lead loophole in next year's legislative session. Dembrow's got some experience on the matter—he sponsored a new law to better regulate asbestos in home demolitions in 2015.

At the time, he said, "We were initially looking at both asbestos and lead. Purely for administrative reasons, we ended up limiting it to asbestos."

Dembrow says problems arise when figuring out which agency should regulate lead in home demolitions. That's still not clear, he says. It might be the state Department of Environmental Quality, which regulates asbestos. It might be another entity.

"We feel like we will get to an answer in the next several months," Dembrow says. "There's a lot of interest in this."