

The Portland Tribune

How far did city's housing efforts go?

By Jim Redden

October 20, 2016

How much did the City Council do to reduce homelessness and create more affordable housing since declaring a one-year housing state of emergency last October?

The obvious answer is, not nearly enough.

Thousands of people are living outdoors, in emergency shelters, and doubled up with friends and family members. But only 335 new city-backed affordable housing units opened in the past year. Portland also opened two temporary shelters, but they are both closed now.

Multnomah County more than offset those losses by opening two permanent shelters, although those added only around 250 new beds.

But city officials note the City Council took many less-visible steps to address the crisis. Those included approving renter protections, increasing renter assistance, and helping Multnomah County open its second new shelter in the Hansen Building in Northeast Portland, which it owns.

Other actions will result in a strong surge in the number of additional shelter beds and affordable housing units in the future, city officials say. They include better aligning services with Multnomah County, generating and committing tens of millions of additional dollars to new shelter and housing projects, placing a \$258.4 million affordable housing measure on the Nov. 8 general election ballot, and giving the private sector the opportunity to open a temporary homeless shelter at Terminal 1, followed by a larger permanent multi-service center if enough money is raised.

Largely as a result of these actions, the Portland Housing Bureau now has 1,995 affordable housing units in development, nearly six times the units opening in the year following the declaration of the emergency.

“The housing emergency helped create a sense of crisis that encouraged both the city and the county to dig deeply into their pockets. The additional spending will pay dividends for years to come,” says Commissioner Dan Saltzman, who is in charge of the housing bureau.

But many of the results will not be seen for years, because of the time it takes to site, plan, permit and build new shelters and affordable housing projects.

“I’m frustrated that it takes so long, but the pace of groundbreakings I’m going to is picking up,” Saltzman says.

Some homeless and affordable housing advocates complain the council has not done enough to address the immediate crisis.

For example, bookstore owner Chloe Eudaly, who is running against Commissioner Steve Novick in the Nov. 8 general election, has called for an immediate rent freeze and an end to no-fault evictions.

Recognizing the crisis is not over, the council recently extended the one-year housing emergency for a second year, until Oct. 7, 2017.

Prior initiatives fell short

The council has long supported homeless services and affordable housing projects. It has provided operating funds and construction assistance to nonprofits that serve the homeless and at-risk populations in Old Town and other parts of the city for many years. A major source of construction assistance has been urban renewal funds, where the council set aside 30 percent of the money for affordable housing.

But the council began admitting that its commitments were not enough several years ago, especially after it became clear that gentrification was pushing many longtime lower-income residents out of their homes.

In July 2014, the council and the Multnomah County Board of Commissioners created A Home for Everyone, a joint initiative to better coordinate homeless and housing services, in partnership with Gresham and Home Forward, formerly called the Housing Authority of Portland. Then, in January 2015, eight months before declaring the housing emergency, the council approved a proposal from Hales to spend an additional \$20 million in Interstate urban renewal funds to help keep residents in their homes and build more affordable housing in North and Northeast Portland.

But those steps proved inadequate. Rents and home prices spiked as the economy improved and more people moved into the region. The council declared a one-year housing emergency on Oct. 7, saying, "Portland's ongoing economic recovery has had a significant impact on rental housing, resulting in a more than 30 percent increase in average rents over the last five years, consistently low vacancy rates between 2.6 percent and 3.2 percent over the last three years, and high occupancy rates."

Efforts since emergency declared

Among other things, over the following year, the council:

- Increased to 90 days the required time landlords must give tenants for no-cause evictions and rent increases of more than 5 percent over a 12-month period, extensions later enacted as state law by the 2016 Oregon Legislature. The council also increased funding for rent vouchers and assistance.
- Successfully lobbied the 2016 Oregon Legislature for authority to impose a 1 percent construction excise tax to help fund affordable housing projects.
- Successfully lobbied the 2016 Oregon Legislature for authority to require new private housing projects to include affordable units in exchange for incentives to help offset the lost revenue.
- Approved \$20 million in general fund dollars for affordable housing projects, matched by a \$10 million commitment from Multnomah County.
- Increased the urban renewal "set aside" for affordable housing from 30 percent to 45 percent, estimated to generate an additional \$66.7 million over the next decade.

- Created a new Joint Office of Homeless Services with Multnomah County to consolidate efforts and clarify the county is responsible for providing shelters, except for the one being planned at Terminal 1.
- Bought the Joyce Hotel to preserve and remodel one of the last inexpensive single-room-occupancy buildings in Portland.
- Streamlined rules for designing affordable housing projects in downtown and the Gateway Urban Renewal District to hasten the construction of new ones.
- Dedicated lodging taxes collected from short-term rentals such as Airbnb to affordable housing, invested \$1 million in the Oregon Housing Acquisition Fund in partnership with the Network of Affordable Housing, and increased access to tax incentives for private affordable housing units in partnership with the county.

In April, the Portland Housing Bureau announced \$61.6 million was available in local and federal affordable housing funds for new development, which could create more than 600 new units.

Some plans stumble

However, even Mayor Charlie Hales admits that not everything undertaken as part of the emergency has gone well.

In February, Hales announced six pilot programs intended to reduce homelessness and make living outside safer. Six months later, he ended the most controversial of them — Safe Sleep Guidelines intended to allow small groups of people to camp overnight on unused city properties. Hales said the guidelines created confusion and caused people to think camping had been legalized.

But three months later, complaints about outdoor camping are skyrocketing, jumping from around 250 a week to 370 between Oct. 3 and 9. Part of the increase may be related to Hales' decision to clear hundreds of campers from the Springwater Corridor because of growing public safety and environmental problems they were creating. Hales admitted at the time the campers had nowhere else to go.

Five other pilot projects were continued, however, including sanitation and storage services for the homeless and the One Point Contact website and phone line where the camping complaints are being recorded (reportpdx@portlandoregon.gov and 503-823-4000).

A review of hundreds of locations around the city for potential new sanctioned camps and shelters turned up only a handful that were properly zoned and did not have problems preventing them from being used.

Demand outpacing supply

A bigger issue is the inability of the city, county and others to quickly change the situation thought to be causing homelessness and the affordable housing crisis — the severe shortage of vacant rentals and existing homes for sale that are driving up housing costs.

At the end of August, the Zumper online rental service said Portland had the 15th-most-expensive rental market in the country. A few days later, the Zillow online rental service predicted Portland rents will increase 6 percent next year. And the Regional Multiple Listing

Service just reported the average Portland-area home sales price in September jumped 10.4 percent over the previous year to \$384,400, one of the biggest increases in the country.

Wheeler questions plan for Terminal 1 homeless center

*By Jim Redden
October 19, 2016*

Although Mayor-elect Ted Wheeler says the homeless crisis will be his top priority when he takes office in January, he is not yet ready to endorse the idea of building a large homeless multi-service center at Terminal 1 in Northwest Portland.

In fact, Wheeler told the Portland Business Alliance on Wednesday morning, he does not know what the proposal entails and questioned why the City Council approved a lease for the first phase of the project proposed by developer Homer Williams in August.

“We started with a location and I don’t know what ‘it’ is yet. We need a consensus about what the model is we’re trying to locate. We need to figure out what gaps we currently have in our system. ... Once we figure that out, we need to build a census about how to support it. That’s called a plan,” said Wheeler, who is currently the state treasurer.

Wheeler made his comments days after returning from a tour of Williams’ model for the project, the Haven for Hope in San Antonio, Texas. Wheeler said he was impressed with all of the services offered at the 22-acre campus-like facility, especially the covered outdoor camping area called the Courtyard where the homeless can sleep in a sheltered setting where food, toilets, showers and a kennel are available. But Wheeler also said he believes many of the facility's other services already exist in Portland, including residential detox programs.

Williams’ proposal is called the Oregon Harbor of Hope. Executive Director Don Mazziotti says he is puzzled by Wheeler’s comments because the mayor-elect and members of his staff have been briefed on it several times. The first phase is a temporary homeless shelter to be opened in a warehouse at Terminal 1. The second phase is a permanent multi-service center modeled after the Haven for Hope.

“I can’t speak for him, but we’ve gone over it with him a number of times. If he needs additional information, we’ll get it to him,” said Mazziotti, who went to San Antonio with Wheeler, Commissioner Steve Novick, Commissioner Dan Saltzman’s Chief of Staff Brendan Finn, and Wheeler’s designated Chief of Staff Maurice Henderson.

Commissioner Nick Fish, who opposes the proposal, welcomed Wheeler's comments, however.

“I am pleased that Mayor-elect Wheeler shares my concerns with the siting of a mass shelter at Terminal One North. I agree with him that Council put the cart before the horse. I looking forward to working with Ted to design a Portland solution to our housing crisis,” Fish said.

The lease approved by the council on Aug. 10 for the first phase of the project is still being negotiated between the Bureau of Environmental Service, which owns Terminal 1, and the Portland Housing Bureau, which is negotiating a sub-lease for the shelter with the Oregon Harbor of Hope. Williams said last week he has raised \$300,000 of the \$500,000 necessary to open the shelter for six months.

Regardless of whether he eventually supports Williams' proposal, Wheeler says Portland, Multnomah County, the business community and the philanthropic community must all do more to reduce homelessness.

"We have an obvious and severe homeless crisis. It's a humanitarian crisis, a health crisis, a livability crisis, a public safety crisis, and it impacts the economy. We all have a stake in it," Wheeler said.

In his first major appearance since being elected mayor at the primary election, Wheeler responded spoke at the PBA's monthly breakfast forum. He did not deliver any opening remarks but responded to questions from Oregon Historical Society Executive Director Kerry Tymchuk, who served as moderator, and members of the audience. Because of that, Wheeler did not lay out of list of specific proposals he will pursue in office, like mayors traditionally do in their annual State of the City speeches.

Joking about the number of serious problems facing Portland, Wheeler said friends are giving him their condolences for winning the election.

"Now I know what it's like to be walking to the chair," said Wheeler, who insisted he is excited about taking office on Jan. 1, 2017.

Among other things, Wheeler blamed Mayor Charlie Hales and the council provoking some of the protests that shut down City Hall in recent weeks. Although Wheeler said Portland has a long tradition of protests, he faulted Hales and the council for repeatedly appearing to make important decisions behind closed doors without sufficient public involvement. Protesters shut down council meetings and clashed with police before and after the council approved the newest contract with the Portland Police Association last week.

"City Hall has been unnecessarily closed. Too many decision are being made behind closed doors. It's not the kind of involvement the public expects from the mayor or city council," Wheeler said.

Wheeler said his second priority will be addressing the high cost of living in Portland.

"Wages are stagnant and the cost of housing is going up. People are afraid they are being priced out of Portland. We need to create more supply, and the city has an important role to play there," Wheeler said.

In response to a related question, Wheeler said he will lobby the 2017 Oregon legislature to lift the statewide prohibition on local measures to control rents and prohibit no-cause evictions. Although Wheeler said he does not support "New York or San Francisco-style rent control," he said cities should be allowed to debate and adopt their own policies, arguing that compromises can be struck by bringing all stakeholders to the table.

Wheeler said his third priority will be investments in infrastructure, including the transportation system and public schools. Wheeler said he will lobby the 2013 Oregon Legislature to pass a new transportation funding plan and change the distribution of stated gas tax revenues to give cities more than the current 20 percent. And he said the city has a role to play in the public school system because it will benefit from better educated students graduating high rates.

And, in response to a question, Wheeler told the PBA he would have a hard time voting for Measure 97, the corporate sales tax measure on the Nov. 8 general election ballot. He cited a

Legislative Fiscal Office report that said it will increase household costs an average of \$600 a year and reduce private sector employment.

"I'm in favor of increasing economic opportunity for everyone," Wheeler said.

Supporters of Measure 97 say it will raise \$3 billion a year from large corporation to increase funding for schools and social services. Opponents say it will hurt smaller Oregon businesses, too, and the Legislature can spend the money elsewhere.

For a previous story about the Terminal 1 proposal and Haven for Hope tour, go to portlandtribune.com/pt/9-news/327751-206747-wheeler-novick-tour-texas-model-for-homeless-center.

Willamette Week

Hip-Hop Club Owner Seeks to Depose Portland Mayor Charlie Hales

By Beth Slovic
October 23, 2016

A federal magistrate on Monday cleared the way for a federal lawsuit against Portland and the Oregon Liquor Control Commission, striking down the public agencies' motions to dismiss most of the claims in the civil rights case.

That means attorneys for Rodney DeWalt, the black owner of a shuttered Portland hip-hop club who says he was the target of a racist conspiracy between Portland police, city regulators and the OLCC, may soon get to depose Portland Mayor Charlie Hales.

This week, attorneys for the city filed an order seeking to limit any deposition of the mayor, asking that any questioning not be videotaped, for example.

DeWalt used to own the Fontaine Bleau nightclub on Northeast Broadway, but the club was forced to close after a shooting outside prompted the OLCC, with help from the city, to yank its liquor license. DeWalt says he was subjected to disproportionate monitoring in the months leading up to the closure as part of Portland's pattern of cracking down on black-owned businesses that cater to black patrons.

Jesse Merrithew, an attorney for DeWalt, says they're seeking to question the mayor about his communication with employees in the Office of Neighborhood Involvement, which monitors bars and clubs. They're also interested in questioning him about his decision to proclaim Oct. 15, 2015 "Hip-Hop Day," a move that followed the 2014 release of an Independent Police Review report that discussed the perception of unfair treatment by police of hip-hop clubs.

Bill Manlove, an attorney for the city, declined to comment on the pending case.

Merrithew said Friday he was pleased U.S. District Court Magistrate John Acosta this week allowed his client's case to move forward. It could go to trial sometime next year.

"We're pleased to move the case one step forward, to get it one step closer to a jury where Mr. DeWalt can seek justice," he says.

Portland Mayor Charlie Hales Tells City Workers He Feared a “Shutdown and Occupation” of Police Union Contract Vote

By Rachel Monahan

October 21, 2016

More than a week after he locked down a City Council session to approve the police union contract, Mayor Charlie Hales is belatedly trying to win the hearts and minds of the city's own employees.

In an email sent out on Thursday, Oct. 20, Hales invited city workers to a forum during "company time" to hear his explanation of the lockdown and the response to protestors, which included police pushing protestors out of from City Hall and later, the use of pepper spray against some.

"I have heard from many of you about the trauma experienced at City Hall last Wednesday following a planned shutdown and occupation of the City Council meeting by certain protestors, and the subsequent response of the Portland Police Bureau to maintain order and ensure the safety of everyone in City Hall," writes Hales.

"Unfortunately, many of you did not feel safe last Wednesday, and have concerns about how the events that day transpired."

Protestors immediately took issue with Hales' claim that his actions came in response to "a planned shutdown and occupation of the City Council."

"I tried to testify at Portland City Hall and instead witnessed the worst violence—at the hands of police by order of elected city officials—in my life," writes Heather Franklin in an email, providing photographic evidence she was attending with a child.

"I did not occupy. I did not disrupt. I waited with my toddler and my ticket you provided TO TESTIFY....No amount of forums (sic) is going to erase what happened at that city council meeting."

Don't Shoot Portland spokesman Gregory McKelvey also took issue with Hales' explanation.

"A planned disruption and occupation?" he posted on Facebook. "Are you kidding me? We came to testify. Federal courts already ruled you can't exclude for past occurrences. You keep making legal cases so much better! Who was planning to disrupt and occupy because I know of no such plans other than yours!"

Update, 1:35 pm: Hales spokesman Brian Worley provided an email showing the mayor's office received at least one email threatening a shutdown of the City Council meeting before the vote.

He also noted that the City Council meeting moved behind closed doors after protests.

"The City Council meeting was recessed due to consistent disruptive behavior, and moved to an another room where public testimony was still being taken and the public could view from Council Chambers," emails Worley.

"The police contract was a second reading, and per City Code, public testimony shall be limited to the first reading of any type of ordinance, which for the contract occurred on September 28th where substantial public testimony was taken."

Hales' email is below:

Dear City Employees, Colleagues, Portlanders:

I have heard from many of you about the trauma experienced at City Hall last Wednesday following a planned shutdown and occupation of the City Council meeting by certain protestors, and the subsequent response of the Portland Police Bureau to maintain order and ensure the safety of everyone in City Hall. Unfortunately, many of you did not feel safe last Wednesday, and have concerns about how the events that day transpired.

This week, along with many city employees, I attended the special City of Portland showing of the August Wilson Red Door Project's Hands Up and the Northwest Public Employees Diversity Conference. After speaking with many of you before, during, and after these events it has become clear that there is still a lot of misinformation out there about the police contract, the public's access to offer testimony, and the process of removing the protestors from City Hall. I deeply respect the public's free and open access to their government. It is also my job as Mayor and Police Commissioner to ensure the safety of everyone involved or potentially involved, and to ensure that the work of the City goes forward.

To provide you with more information, give you an opportunity to ask questions of me and other City leadership, and share your concerns in a safe space, please join me for a City Employee Forum on City Hall Safety, Public Process, and the Police Contract next Monday, October 24, 2016 from 1:30-2:30 p.m. in the Portland Building Auditorium.

This forum will cover three primary concerns:

- *City Hall Public Access and Safety: Oregon's public meetings law generally provides for attendance by the public. However, the Attorney General has advised that in cases of announced threats to disrupt a controversial meeting, a public body may hold its meeting in a room from which the public is excluded, while allowing the public to view and hear the meeting by television in another location.*
- *Police Response to Protestors: With protestors engaging in escalating behavior that compromised the safety of those in City Hall, I made the decision to lock down the building and have protestors leave through the SW 5th Avenue exit given their position. The confrontation that followed has raised many questions about the number of officers involved and the tactics employed.*
- *Police Contract: There has been a lot of misinformation about what is and is not included in the Portland Police Association contract. The contract will:*
- *Raise officers' starting salaries to make our Police Bureau competitive with other jurisdictions.*
- *Eliminate the highly controversial "48-hour rule," which blocked swift investigation of officer-involved shootings.*
- *Eliminate 12 union grievances against the City of Portland, which could have impeded recent reform efforts.*
- *Commit the City of Portland and the union to work together to comply with the Department of Justice Settlement Agreement, develop new rules for the use of body cameras, and otherwise not use the labor contract as a shield against reform.*

If more people than can be accommodated want to attend, we will schedule an additional forum session.

As always, if you are unable to attend the forum in person, please don't hesitate to contact me, my staff, and other City Hall leadership with your questions and concerns.

Sincerely,

Charlie Hales Mayor, City of Portland

P.S. Managers: this forum is being scheduled during work hours because informing our employees is important enough that it should take place during "company time." If employees would like to attend and can be spared from their responsibilities, please help facilitate this.

Daily Journal of Commerce

Votes pave the way for firms to work on city projects

By Garrett Andrews

October 20, 2016

The Portland City Council on Wednesday voted on multiple construction-related agenda items. Two were passed by 3-0 votes:

- The city accepted a contract with McMillen Jacobs Associates of Portland to serve as owner's representative for the coming Willamette River Crossing project. Six proposals were received in April. McMillen Jacobs was deemed by staff to be have the highest score.

The project is intended to provide drinking water to Portland west of the Willamette, including the downtown core, in the event of a major earthquake. The city's three existing crossings reportedly have a 48 percent chance of failing in a seismic event. Plans for the new crossing call for it to terminate just north of Marquam Bridge and employ horizontal directional drilling.

McMillen Jacobs is not a disadvantaged, minority-owned, woman-owned or emerging small business, but it intends to direct 24.2 percent of its contract amount (\$957,000) to DMWESB subconsultants.

- Also, the city accepted a bid by Landis & Landis Construction to handle the upcoming Terwilliger Boulevard sanitary sewer extension services project. The firm's bid of \$3.4 million came in 9.5 percent lower than the engineer's estimate, and beat six other bids.

The city's aspirational goal for DMWESB participation by subcontractors and suppliers is 20 percent of hard construction costs. Landis & Landis has identified several certified firms to handle flagging, trucking and concrete cutting – for a value of \$725,000. It will self-perform excavating, clearing, grubbing, traffic control, concrete, asphalt and concrete cutting.