

## The Oregonian

# Terminal 1's failure should open new debate on homelessness: Editorial Agenda 2016

*By The Oregonian Editorial Board  
November 2, 2016*

The recent collapse of a plan to house the homeless in a shelter at Terminal 1, on the Willamette River just north of downtown, means winter arrives wetter and colder for the estimated 1,800 souls sleeping outside every night in Portland and its immediate suburbs.

The plan for Terminal 1 was never to absorb everyone, however. Homer Williams, the developer, had modeled his Oregon Harbor of Hope on a massive one-of-a-kind public shelter in San Antonio. By the time he patched together a handshake deal with the Portland Housing Bureau and scaled numerous challenges, among them paying market-rate rent to the city for limited use of the terminal, Harbor of Hope was reduced to a temporary facility that would house perhaps 100. With lease details hanging open, not to mention a last-minute plea for alternatives from the Portland Business Alliance, Housing Commissioner Dan Saltzman had little choice than to pull the plug.

But Williams' setback is not his alone. It belongs to the City of Portland, Multnomah County and suburbs such as Beaverton and Gresham.

Metropolitan Portland cannot operate well, or safely, with 1,800 people sleeping in walkways, on roadway medians, in parks, in tattered encampments — all while the economy and employment rev to new heights and push housing prices upward, in some measure exacerbating the problem.

The city and county have made strides. In the last year they committed \$30 million to combat homelessness. The county is on target to create 650 more shelter beds in the current fiscal year, with the opening this month of a 120-bed shelter — just in time for winter. Significantly, however, the county has applied a hefty amount of effort and money to homelessness prevention. County Chairwoman Deborah Kafoury, in an interview with *The Oregonian/OregonLive*, estimated that more than 9,000 residents were assisted sufficiently "to keep them from hitting the streets" — an unseen phenomenon helping, despite appearances to the contrary, to contain homelessness.

The region cannot operate well, or safely, with 1,800 people sleeping in walkways, medians and in parks — all as the revving economy spikes housing prices and worsens the problem. Elected and business leaders must work together on the large-scale shelter needed to make a lasting difference.

But 1,800 is 1,800. The number of the dispossessed is assumed by experts to replenish even as small-scale shelters open. That's why it will take a large-scale shelter to visibly dent the number of Portland's homeless and make a sharp difference.

The setback of Williams' plan is a signal moment for Portland and its mayor-elect, Ted Wheeler, who takes the reins at City Hall next year. Homelessness, with its cousin affordable housing, is the city's most pressing challenge — ahead of lead in the water, decrepit roads and seismic threat.

Williams' Harbor of Hope had as much going against it as it did for it. Terminal 1 is prime industrial property owned by the city and eyed for the kind of development that could create jobs — this while rewarding the city's utility ratepayers who own it. Terminal 1 also was seen by some as uncomfortably proximate to the nearby Pearl District, originally developed, ironically, by Williams.

But Harbor of Hope was a new idea inasmuch as it might have found backing from Portland's business community, which suffers as homelessness persists and could have a financial stake undoing homelessness. For this reason, Williams' ill-fated project gave new hope: that homelessness is a burden not only of government and the faith community but of the region's businesses. Sandra McDonough, president of the business alliance, credits Williams with having performed "a phenomenal service to the city, as he moved the conversation forward."

Wheeler reportedly visited San Antonio recently to tour the prototypical Haven for Hope, and he previously had said a version or parts of it, downsized and tuned to meet Portland's specific needs, might be part of a broad-based remedy to homelessness. But when he takes office, he must bring everyone, including Williams and business leaders, to the table and ask: Are there other sites in the region that could support a large-scale shelter? What is the right scale of a shelter for Portland and the right mix of services for those living in a primary shelter? Critically: Who pays?

Wheeler's roundtable also should frame the relationship between a large shelter operation and A Home for Everyone, which comprises nonprofits and oversees the county's outreach to the homeless. Nothing should be left unasked, including whether Wapato, the county's never-used-but-for-sale jail, could be part of the solution — this despite its 11-mile distance from downtown and repeated declarations by Kafoury it is unsuitable. Wapato's capacity exceeds 500.

Saltzman last week announced a six-month-only, stop-gap shelter would soon open downtown and house about 100 — this courtesy of a developer who generously figures the empty building at 333 SW Park Avenue could help folks through the winter as his renovation plans take shape. But such arrangements are mere walkup to strategic homelessness decisions ahead.

Leadership keyed to the long term, and the business community's engagement, will be required.

## **The Portland Tribune**

### **James Beard market leaders bail on building at Morrison Bridgehead**

*By Jennifer Anderson  
November 1, 2016*

The James Beard Public Market won't anchor the Morrison Bridgehead after all, but it's not for lack of trying.

"Everybody at every level of government was supportive of finding a solution to the ramp dilemma," said Fred Granum, executive director of the market. The nonprofit venture, 16 years in the making, hopes to be a year-round outdoor-indoor market for fresh food in Portland on a major scale.

Granum told the Tribune last week that he had met with the mayor numerous times, as well as staff from the Portland Bureau of Transportation and other offices, in an attempt to figure out how to make it safe for thousands of pedestrians to cross Southwest Naito Parkway safely with the existing bridge ramps surrounding and above the market.

“Everybody was trying to make it work,” he said. “It just became obvious, despite the good intentions of everybody concerned, this site would not be able to begin construction for years. We had simply taken on a challenge that could have probably been overcome with money and time, but we’re short on both of those.”

As the Portland Architecture blog first reported on Oct. 27, the Morrison Bridgehead site is now scrapped while market leaders shift their focus to exploring other sites.

“After much work by many, we decided that the Morrison Bridgehead site just posed too many challenges,” said Granum, who took the helm of the project earlier this year, after the death of Ron Paul, who had championed the idea since 1999. “The extended delays and additional costs posed by the bridge and its ramps were more than we could accept. We’re delighted to consider these new opportunities that will allow us to move the project forward now.”

Granum added that he’s “gratified” to be part of the Oregon Museum of Science and Industry’s master planning process for their expanded campus, which is located within Portland’s emerging Innovation Quadrant. That’s the east-west chunk of the central city that includes the four districts around Portland State University, Oregon Health & Science University, OMSI and Portland Community College, as well as other properties.

OMSI recently launched a process to create a master development plan for the museum’s 18-acre waterfront property with the goal of creating and activating a vibrant presence along the waterfront.

As long envisioned, the James Beard Public Market would have nearly 100 fresh food and drink stalls and serve as a hub for promoting community health, rural and urban economic development, neighborhood revitalization and tourism.

“We’re thrilled at the prospect of locating the market at the east end of the Tilikum Crossing,” Granum said. “It’s an attractive site for countless reasons. Teaming up with OMSI and its partners in the Innovation Quadrant will benefit the entire community.”

If moving the ramps was such a major hurdle that everyone anticipated, why pursue the site at all? Granum said the context must be considered.

“This project has been around for a number of years,” he said. “So much of the effort of my predecessor, Ron Paul, was trying to find the right spot in the city. Prior to the Morrison Bridgehead site he had worked on three to four sites that didn’t pan out.”

Enter Melvin Mark Development Co., which responded to Multnomah County’s request for proposals when they announced they were looking to dispose of the site.

A partnership including members of the Mark family bought the site for \$10.4 million, and they planned to build a mixed-use high rise above the market at the bridgehead site.

Groundbreaking for the market had been set for 2018.

Dan Petrusich, Melvin Mark’s president, told the Tribune at the time that while the market design partly included spaces under the ramps, he and others preferred that the ramps be redesigned, with the northbound ramp connecting to Stark Street and the southern ramp connecting to Morrison Street.

That figures to be a multimillion-dollar fix, Petrusich said, but traffic studies must be conducted to determine the best solution and true costs.

Without modifying the ramps to improve pedestrian safety, “I cannot see that it would be feasible,” Granum told the Tribune in January.

But Mayor Charlie Hales (for whom Paul had worked in the 1990s) had personally led a stakeholders group over the summer to consider the ramp dilemma, and had been confident a solution would emerge.

“There’s a design fix that’s affordable and really makes that project work,” Hales told the Tribune at the time, noting that he was anticipating that funds be contributed by various parties, such as the Portland Development Commission.

Incidentally, Snohetta — the Norway-based design firm that has released plans for the market at the bridgehead site — also is the firm selected to lead OMSI’s master planning team. That work began this month and is expected to last through spring.

In addition to the OMSI site, Granum said the market will consider the Zidell Yards and Centennial Mills sites. In any case, he anticipates breaking ground in 2019, with a market opening in 2020.

Fundraising is now in the quiet phase of the campaign, and will launch to the public next year.

## **The Portland Mercury**

### **Hall Monitor—The Death of Terminal 1**

*By Dirk VanderHart*

*November 2, 2016*

THE TERMINAL 1 proposal probably dies its official death Wednesday, November 2.

Nearly five months after quiet chatter turned to fierce argument over whether a 14.5-acre plot of industrial land north of the Pearl District should become the region’s largest homeless shelter, City Council appears ready to close the door.

With a vote, the property will go back on the market, and interested buyers should have relative assurance it’ll stay there. City leaders aren’t looking to repeat this argument.

There was never an easy answer to whether Terminal 1 would’ve been a vital resource amid swelling homelessness or a cynical warehouse for the problem. Valid arguments existed for and against.

What you could say for sure about the model, proposed by prominent developer Homer Williams and a supporting cast of construction-savvy nabobs, was that it was new. It would have been an unprecedented amount of private cash targeted squarely at getting people indoors—buy-in officials have long hoped for from the city’s business community.

In a statement issued Wednesday, a day after Housing Commissioner Dan Saltzman formally pulled the plug on his proposal, Williams said he’d raised more than \$360,000 to get the thing up and running.

William’s problem wasn’t funding. It was that he couldn’t convince the city’s established homeless services community to get on board. Saltzman and Housing Bureau Director Kurt

Creager told me they knew the proposal was dead when Williams couldn't secure the commitment of a nonprofit with experience running a mass shelter—entities like Transitions Projects or Human Solutions.

Williams had instead recruited Ibrahim Mubarak, who co-founded the respected rest area Right 2 Dream Too. It wasn't enough.

Everyone says they respect Mubarak. City officials doubted he had the chops to run a shelter that might have grown to house 400 people.

"The cost of failure is just too great," Creager said.

It didn't take long to find another option. Three days after Saltzman pulled the plug on the project, he had a new space.

Friday morning, city officials gathered downtown with some of the same folks who had spurned the Terminal 1 project to announce a new 100-bed winter shelter that will be available for six months. Transitions Projects, which didn't have much interest in Terminal 1, is running the thing. Tom Cody, whose company had already offered \$8.25 million to purchase Terminal 1, is donating the space.

In other words, Portland has found much of the winter shelter space it had been looking for—and it got it along the smooth, well-trod path on which the city's increasingly been creating shelter lately.

It's a necessary development, but the most interesting thing to watch will be whether it sours Williams' interest in the future. The developer and his cohort have suggested that existing homeless services providers spurned his proposal out of greed—that they felt threatened by a new model coming to town.

Right or wrong, and no matter what side of the Terminal 1 debate you came down on, you should hope that Williams doesn't let that notion close him off for future projects.

After all, \$360,000 is a lot of money, and we've still got a long way to go.

## **Want to Buy Terminal 1? You'll Have Two Weeks to Make an Offer**

*By Dirk VanderHart  
November 1, 2016*

Now that a proposed homeless shelter at its 14.5-acre Terminal 1 property is off the table, the Portland Bureau of Environmental Services (BES) is itching—once again—to get the land of its hands.

First, Commissioner Nick Fish has to convince at least three of his council colleagues to pass a resolution [PDF] tomorrow, rescinding a controversial previous resolution that said BES had to lease Terminal 1 to the Portland Housing Bureau. That's probably not the most difficult hurdle, given that the plans around T1 have collapsed.

Should the resolution pass, Fish hopes to have the property back on the market by Thursday, according to his chief of staff, Sonia Schmanski. Interested parties would have until September 18 to submit a proposal.

The possibilities that come through the door could be interesting. Last time BES accepted offers on Terminal 1, it came away with seven possibilities—ranging from \$6 million to \$10 million. They included a Costco, an affordable housing complex, and a lot of offers that just wanted to grab hold of the land and didn't specify a use. Local developer Tom Cody, who announced on Friday he was donating property for a temporary shelter now that Terminal 1 fell through, had already offered \$8.25 million for the land via his company, project^.

But Fish's office says that first round was tainted by uncertainty over whether Terminal 1 would be available for development, or if it was going to be snatched off the market to become a homeless campus. This time, there's hope for a more robust round of offers.

Fish's office is also making clear it's most interested in proposals that keep Terminal 1 an industrial property. The resolution council will vote on tomorrow says it "directs BES to sell Terminal 1 in accordance with the current zoning and to maximize the value to ratepayers."

Translation: The city's going for the industrial use that offers the most money. Schmanski says BES hopes to accept a proposal and begin finalizing a deal by the end of November.