

The Oregonian

Portland again ready to sell riverfront warehouse after shelter deal dies

*By Brad Schmidt
November 2, 2016*

The Portland City Council unanimously agreed Wednesday to sell off a waterfront warehouse that had been eyed as a temporary homeless shelter.

The decision officially ends developer Homer Williams' bid to secure the property and would seem to dash his long-term goal of building a homeless campus.

City officials halted sales plans in August after Williams vowed to find money and staffing to open a 400-bed temporary shelter, hoping it would be a first phase toward a grander vision.

But Williams' pick to operate the shelter – Ibrahim Mubarak, co-founder of the homeless camp Right 2 Dream Too – didn't sit well with city housing officials. Commissioner Dan Saltzman walked away from the deal last week and the rest of City Council cemented that decision Wednesday.

Saltzman thanked city officials for considering Williams' proposal, saying the discussion "was one worth having."

Portland's Bureau of Environmental Services, which owns the 14-acre Terminal 1 site along Northwest Front Avenue, now plans to re-list the property and accept bids through Nov. 18. A deal could be in place by early 2017.

The city in August secured offers from seven companies, with purchase prices ranging from \$6 million to \$10 million. Williams didn't submit an offer.

Commissioner Nick Fish, who oversees the sewer bureau, said he will "not seriously entertain" proposals that don't comply with the site's current industrial zoning. But it's not clear if Fish will get to make a final decision, as Mayor-elect Ted Wheeler takes office Jan. 1 and could re-arrange bureau assignments.

"We should not miss an opportunity to applaud Homer Williams and his partners for offering to help," said Fish, who had been the City Council's most vocal opponent of Williams' plan for the site.

Williams last week said he wouldn't give up on his vision to build a multi-million-dollar homeless campus on the site. Williams said he planned to submit a proposal to Wheeler in January.

The Portland Tribune

Trash into treasure: Thomas Cully Park project gains traction

*By Lyndsey Hewitt
November 3, 2016*

The reduction of green space in Portland has sprouted unlikely projects in unlikely places.

Residents in Lents recently turned what was once an “eyesore” of open space next to Springwater Corridor, and a site used for garbage dumping, into a fully functioning community orchard.

By mid-2017, Northeast Portland’s Cully neighborhood will effectively turn trash into treasure and see an old landfill turned into a park.

The ambitious project is \$1 million away from securing all the funds needed, as project contributors hone in on their full \$10.6 million goal to formally start Phase I of Thomas Cully Park, located at Northeast 72nd Avenue, north of Killingsworth Street.

The latest major contribution of \$3 million, from Portland Parks & Recreation, was announced by Parks Commissioner Amanda Fritz last month, when the Portland Parks Foundation held its 15th anniversary celebration.

The foundation has committed to raise \$500,000, while local nonprofit Verde will raise the other half.

Though the city has its hands in the project, the 25-acre park is “essentially” being constructed and carried out by Verde, according to Jeff Anderson, executive director of the Portland Parks Foundation. The city handed the reins over to Verde to seek out a more community-oriented project.

“My sense is that it was an experiment in a way. It helped to heighten the priority that a local organization was willing to take it on. It was a way to accelerate the park development as part of a community strategy,” says Anderson. He became executive director last October, after efforts for the Cully park project were well underway.

The park is part of a larger effort to revitalize the Cully neighborhood, called Living Cully, a collaboration started in 2010 by several nonprofit agencies focused on equity, diversity and an anti-poverty strategy. Cully neighborhood is considered an underserved community, where 45 percent of residents are low- income.

A campaign steering committee recently met for the first time to outline plans.

A timeline for opening Thomas Cully Park is not yet set in stone, as fundraising and outreach continues. But Anderson says mid-2017 is the target, where the first phase would include a youth soccer field, an Inter-Tribal Gathering Garden, playground, walking paths, parking lot and an expansion of the Northeast 72nd Avenue community garden. The second phase would add ballfields.

Reflecting on Portland’s growth, Anderson says, “I think we’re going to have to start to look at parks in a different way. Certainly preserving these 25 acres is an important first step.

“What we’re trying to do is just stay alert as to the kinds of park development happening in other major areas around the world. There’s really creative stuff going on in Europe and Asia to create green spaces, sometimes changing the tops of parking spaces into parks.”

Long time coming

The Thomas Cully Park site has been planned for park development by the city since 2002. The site was used as a sand and gravel quarry from the 1950s to the 1980s, and then a landfill accepting mostly construction waste from 1980 to 1991.

A master plan to create a new park was created in 2008, and in 2011, the Let Us Build Cully Park! coalition worked with the Oregon Department of Environmental Quality and Oregon

Health Authority, which fully funded a \$135,000 assessment to discern the former landfill's environmental conditions.

A 2013 report by the Environmental Health Assessment Program states there are no immediate dangers to future park users, that concentrations of chemicals found are too low to affect health. Elevated levels of air pollutants at the site, the report says, are related to regional air pollution rather than the landfill itself.

However, methane gas from the landfill will continue to be produced as long as it takes for the material from the landfill to break down and decompose, according to letusbuildcullypark.org, the coalition's website.

The gas is contained within a methane control system and burned daily in a facility next to the Northeast 75th Avenue entrance.

According to the DEQ, which issued a No Further Action (needed) declaration in December 2015, on-site monitoring is conducted monthly.

"So far, no off-site monitoring points have shown dangerous levels of methane. Operation of the new gas extraction wells should help to control methane levels and prevent future landfill fires," a DEQ report states. Underground fires occurred at the site in the past.

Find out more online

- letusbuildcullypark.org
- livingcully.org
- verdenw.org

Developers are saying proposed affordable housing mandate isn't feasible

By Jules Rogers

November 2, 2016

Some developers have already stopped buying property within city limits because of a mandatory affordable housing proposal headed toward the Portland City Council.

The 2016 Legislative Session adopted Senate Bill 1533, which lifted the state ban on inclusionary housing (Texas is the only state left with this preemption). Now, the City of Portland is pursuing mandatory inclusionary housing to "harness the economic power of the private market to increase the supply of affordable housing."

The Housing Bureau commissioned an independent analysis on the inclusionary housing program's economic feasibility in Portland. Public testimony to be included in the draft closed on Oct. 25.

If passed by the city council, it would require new developments with 20 or more residential units to set aside 20 percent of those units as affordable housing, for those earning 80 percent of the area median income (currently about \$58,650 for a family of four).

Commissioner Dan Saltzman is proposing a program developed and recommended by the Portland Housing Bureau, which is expected to go before the city council on Dec. 21. It's very

likely to pass, according to the Portland Housing Bureau and the Bureau of Planning and Sustainability, and if it does it would go into effect on Feb. 1, 2017.

“This proposal addresses the consequences Portland’s unprecedented growth has had on housing affordability,” Commissioner Saltzman said. “Inclusionary Housing can help ensure that Portland has economic diversity in all areas of our City so that Portlanders who work here can afford to live here.”

Critics said inclusionary zoning hasn’t worked in other cities, would drive up housing prices and would shift development outside Portland to the suburbs. Proponents said it would be helpful along transit corridors, pushing developments out of close-in, walkable neighborhoods residents are flocking to. (read it in the Feb. 5 edition of the Portland Tribune “Portland wants Legislature to allow inclusionary zoning, but progressive economist says it won’t help with housing crisis” by Steve Law).

The Business Tribune called some busy developers about town to find out if their plans are changing with the impending proposal.

Vanessa Sturgeon, CEO of TMT Development, said the inclusionary zoning would make Portland more like San Francisco’s model — “ultimately worse in affordability.”

However, Vic Remmers, owner of VWR Development and Everett Custom Homes, said he won’t be able to develop at all in the city under the inclusionary housing proposal.

Not buying property, no new projects

“What most developers are doing now is just not buying any properties and not working on any new projects because of the new rules,” Remmers said. “There are a lot of projects we’d normally maybe try to purchase right now that we’re not doing because of these rules — because of the possible inclusionary zoning.”

Between developing apartment buildings and luxurious single-family homes around town, Remmers is notorious for almost infilling over three sequoia trees in Eastmoreland (you can’t kill trees in Portland) and is generally snubbed by the historical types who disapprove of density in close-in neighborhoods, although his homes are exquisite. He has found allies in the Oregon Home Builders Association, 1000 Friends of Oregon, the City Club of Portland and other groups that support developing density in historically single-family neighborhoods, providing access to close-in transit, amenities and employment opportunities for renter-income households.

“The negative effect is they were going to build lots of apartment buildings in the city,” Remmers said. “We’re already in a housing crisis and it’s going to get even worse — we aren’t going to be able to build these projects. You’re going to get less housing development, it’s becoming even more expensive, and there will be even more of a shortage now with unintended consequences if they don’t make it reasonable to build the project.”

According to Remmers, the proposal would only work if people start taking dramatic price reduction on most of their land, or if the city adds a new incentive (see sidebar), but for now, he’s going to opt out of the city limits.

“The suburbs is where you can still do things because they’re not fast-tracking this like the city of Portland is,” Remmers said. “That’s where most developers are looking now to do projects.”

As for the positives of the proposal:

“You’d have a little more diversity in your project: more diversity in prices,” Remmers said. “The negative is you’re losing apartments normally rented for a larger number. You’re renting for less money, so it’s going to have a dramatic affect on your value of the buildings.”

Remmers said, “Make some changes to the program to make it feasible for us to build these projects going forward, or we’re going to look at fewer units and fewer projects for the city.”

Zero appraisals, halt completion

According to Vanessa Sturgeon, CEO of TMT Development, building a project large enough to offset the affordable housing mandate costs would require a development bigger than anything residential around the whole Portland area.

“Honestly, I doubt we’ll see projects of that size happen, I think project completion is just going to all but halt,” Sturgeon said. “Land values have already gone way down ... we’re starting to see appraisers mark land value down to zero because of it.”

Sturgeon said she has not invested in any properties since she started following the proposal.

“We just won’t do any multi-family developments,” Sturgeon said. “We’ll just stop, which is what you’re going to see most folks do.”

TMT is known for developing the fourth-tallest high-rise in the city, Park Avenue West. It was once a testament to the Great Recession, but TMT completed it earlier this year.

“We will not go forward with multi-family developments. It really hits so hard, it makes the risk not worth it,” Sturgeon said. “I think the tax breaks end after 10 years, so I see it becoming worse.”

She said the way the mandate is drafted, it will have the opposite affect on housing availability in the long run.

“My suggestion is they continue to offer incentives ... but in a more robust sense rather than offering a stick approach, which is going to decrease supply while demand continues to rise,” Sturgeon said. “So, I expect it to push prices on the entire market up.”

According to Sturgeon, if the city’s incentives were bigger and more rounded, it could answer the diverse housing problem.

“If it were a bit more robust, it would be the answer because diversity on every level is important from ethnic diversity to financial diversity — all those things are important to creating a healthy community,” Sturgeon said. “But I don’t see inclusionary zoning fostering diversity, I just see it slowing down the supply.”

She predicts other developers will follow the same path she plans to — the suburbs.

“Yes, we’re looking to the suburbs, and that’s what everyone’s going to do,” Sturgeon said.

“During these boom times, the quickest way for people to get projects done is going market-rate.”

Affordable developers: part of the solution

Affordable housing developer Sarah Stevenson, executive director of nonprofit Innovative Housing Inc. said it could be a part of the housing solution although it wouldn’t directly fund IHI. The nonprofit already develops affordable housing for the city, and wouldn’t be subject to the increased affordability requirements.

At first, Stevenson thought nonprofit developers would be able to use the fee-in-lieu revenue generated from opt-outs to develop more affordable housing, but says it now looks like that funding will be needed to support the inclusionary zoning program itself — especially the deeper affordability options.

“As such, I’m no longer counting on revenue from inclusionary zoning to support IHI’s future projects,” Stevenson said. “It is possible that a for-profit market-rate developer would be interested in paying IHI or another nonprofit to develop off-site units to satisfy its inclusionary zoning obligations — that could create a new funding source for our future projects.”

It’s a possibility that depends on the market, project timing and developer relationships, and isn’t solid funding for IHI, “but it is possible and we would be happy to have that conversation with our for-profit counterparts.”

“In the big picture, Portland needs more affordable housing options along a spectrum of affordability from zero to 100 percent, and I have always thought inclusionary zoning was a good idea,” Stevenson said. “Portland has become a very desirable location for investors — the for-profit developers working in Portland are smart and resilient and I’m confident they will find a way to make this work.”

While Stevenson has heard from market-rate developers who are skeptical and concerned that it will impede development, she thinks the city should have implemented an affordability requirement a long time ago.

“I think in a relatively short time the market, and investors’ expectations, will adjust to the inclusionary zoning reality and the City will gain some affordable units,” Stevenson said. “Not nearly enough to solve our current crisis, but it will be one part of the solution.”

Next Steps:

The Planning and Sustainability Commission will hold a work session on Nov. 8, and vote on a recommendation for City Council to consider on Dec. 21, 2016.

Incentives:

Matthew Tschabold, policy and equity manager with the Portland Housing Bureau, said the incentives vary by zoning and by FAR (floor area ratio, or the ratio of the size of the building to the size of the land it’s on).

“There are two options. One is to build new units off-site: that can be in another building, or the developer themselves can pay someone else to build the units,” Tschabold said. “You can dedicate existing units that are existing, market-rate units, they just have to be a similar size, quality, bedroom count and things like that.”

The mandatory program requires 20 percent of units in the building be affordable to household who make 80 percent of the median area income. A deeper option offers making 10 percent of units affordable at a 60 percent median area income. Those are both on-site options.

As for off-site, there is only the 60 percent median area income option imposed on 20 percent of the units. For the re-dedication of existing units, it requires 25 percent of the total units be included.

“Depending on the zone, it’s either a ten-year property tax exemption on all residential units, a property tax exemption of affordable units, or some amount of fee waiver or direct subsidy,” Tschabold said.

There is an opt-out fee in lieu of offering affordable units, ranging from \$23 to \$30 per gross square foot of residential space in the building.

For more on the policy, visit: portlandoregon.gov/bps/article/594281

Homeless shelter dead, City Council votes to sell Terminal 1 again

By Jim Redden

November 2, 2016

Wednesday vote restarts bidding process on Northwest Portland industrial property that council had earlier decided should be used for the homeless

Reversing a previous controversial decision to explore using Terminal 1 for the homeless, the City Council voted Wednesday to put it for sale for the second time.

“Terminal 1 is identified in the city’s comprehensive plan as prime industrial land, and is a key part of Portland’s jobs forecast and economic development strategy for the next 20 years,” said Commissioner Nick Fish said after the vote, referring to the 20-year growth plan adopted by the council earlier this year. Fish is in charge of the Bureau of Environmental Services, which owns the 18-acre parcel in Northwest Portland.

The unanimous vote came a little more than a week after Commissioner Dan Saltzman pulled the plug on a proposal by developer Homer Williams to use a warehouse at the site as a temporary homeless shelter — and work on transforming industrial property into a permanent homeless multi-service center called the Oregon Harbor of Hope.

Saltzman, who is in charge of the Portland Housing Bureau and presented the idea of using Terminal 1 for the homeless to the council, said he has no regrets over his effort.

“I feel good about trying. I think people come up with different ideas. But it’s still a great idea, one that I support and I think we’ll look elsewhere,” Saltzman said.

The council had authorized the first phase of the project on a 3-2 vote on Aug. 10. Voting "yes" was Saltzman, who sponsored it, Mayor Charlie Hales and Commissioner Steve Novick. Voting "no" were Fish and Commissioner Amanda Fritz.

Before the August vote, the council had declared Terminal 1 to be surplus and BES had put it up for sale through a process approved by the council. Seven bids were received and released a few days after the vote. The ranged from \$6 million to \$10 million. During the debate on Williams' proposal, Fish argued the sale should continue and the proceeds should be used to reduce future BES rate increases.

Call for bids

Wednesday's vote starts the bidding process all over again. Fish says that is necessary because several potential buyers did not submit bids after a majority of the council signaled it would approve the homeless proposal. Fish believes BES will receive even higher bids this time around.

Colliers International will serve as the property’s commercial broker and is expected to list the property on Thursday, Nov. 3, with a call for bids by Nov. 18.

“The sale of this prime industrial property will add family-wage jobs to our community, and strengthen our tax base, helping us pay for the services and housing necessary to address the crisis of homelessness,” Fish said.

He added he hopes people like Williams will continue to advocated for the homeless.

“I know Mayor-elect Wheeler, this is a big priority issue for him, so I think discussions are far from over. They may be over with respect to Terminal 1 as a potential location, but we need more shelter space, we need more affordable housing, and those issues are still before us,” said Saltzman.

The Portland Mercury

Portland’s Police Reform Effort Has a Problem

By Dirk VanderHart

November 2, 2016

THE CITIZEN BOARD helping reform Portland’s police force got out of a two-month timeout last week to find it had been stood up.

Membership of the COAB (Community Oversight Advisory Board) had already dwindled to roughly half its intended 15-person strength—and just five appeared in person at last Thursday’s meeting. Not a one of the police “advisers” assigned to the group showed up. Nor did the City Attorney’s Office or US Department of Justice (DOJ), which have often made sure to be on hand to offer advice or clarity on the fraught business of police reform.

The Chicago academics being paid to scrutinize Portland’s police reform effort—and who are tasked with chairing the COAB—were also absent, though they sent a representative to run the meeting.

Other than a handful of police accountability diehards in the audience, the COAB was on its own.

“There are no police advisers here,” COAB member and attorney Tom Steenson said to the room at one point. “The city attorneys don’t show up. The DOJ doesn’t show up. I think we’ve been abandoned.”

Quagmire is nothing new for the COAB, but last week’s all-out desertion felt like a final admission that this part of Portland’s bold experiment was being left for dead.

The COAB was supposed to bring a vital citizen-driven perspective to the city’s federally mandated police reforms. Instead, roughly three months before all of its members’ terms are set to expire—and with no indication from City Hall they’ll be extended—the COAB couldn’t even get a police officer to attend.

Officials gave the Mercury a variety of reasons for their absence. City Attorney Tracy Reeve noted her office has no mandate to sit in on the meetings. A US Department of Justice spokesperson said its absence “was purely a scheduling issue” (also, the office had just been handed a stunning defeat in its attempt to prosecute Ammon Bundy and his fellow occupiers that afternoon). The Portland Police Bureau said its officers didn’t think enough COAB members would show up to hold a proper meeting.

“Basically we were deserted,” is how COAB member Philip Wolfe sees it. “They are avoiding us.”

It’s not that there aren’t good reasons for officials to be skeptical of the experiment they helped create.

From its inception, personality conflicts, basic disagreements, rowdy spectators, and other issues have distracted from the COAB’s stated purpose, which is “to leverage ideas, talent, experience, and expertise from the community” as Portland works to correct police practices that saw force applied too often against people in mental health crisis.

Kathleen Saadat, the respected Portland equity advocate who chaired the COAB for a year before resigning this summer, described the effort as “trying to win the Derby while riding a three-legged horse in a Missouri thunderstorm without reins or saddle.”

But as it stands now, the limping nature of the COAB is also one of the city’s chief challenges to meeting the terms of a settlement it signed with the feds in 2014. In a report to US District Judge Michael Simon on October 18, the DOJ found the city is out of compliance with its commitments to the group. If it doesn’t correct matters, it risks being found in violation of the settlement.

One glaring factor: City officials have allowed the COAB to run dry.

As COAB members have resigned one by one amid turmoil, Portland City Council hasn’t appointed enough new members to keep the group at full strength. It’s currently missing seven members. As a recent report from the DOJ noted: “Despite our request in our 2015 report, the City has yet to provide DOJ with a plan to fill the vacancies of the at-large committee members.”

Until last week, the vacancies had effectively neutered the COAB. The group’s bylaws dictate a majority of members need to be on hand in order for members to decide on anything, meaning all eight remaining members needed to show. Often that wasn’t happening.

But at Thursday’s meeting, the group—with three members participating remotely—voted to change the rules so that only a majority of the eight remaining members are needed in order to make recommendations on police reform. Then the COAB took a relatively weighty step, voting to recommend a new model members had come up with for Portland to hold its officers accountable. (The vast majority of the group’s 48 recommendations to city and federal officials have received no response, COAB members say.)

Even with that progress, the lack of officials’ interest suggests the board isn’t going to be around for much longer—at least in its present form.

In August, Mayor Charlie Hales and the DOJ announced the group would be placed on a 60-day recess “to evaluate how to create a better process that fulfills the intention of community involvement in police accountability.”

During the 60-day window, the city says it interviewed “scores of people” and drafted an outline for how the group should move forward. The DOJ says it’s the city’s responsibility to “provide a robust proposal that is developed with stakeholder input...”

But no fixes have been made public. The mayor’s office says it’s still in conversations with groups like the Albina Ministerial Alliance Coalition for Justice and Police Reform, and the Portland Police Association, the city’s largest police union.

Everyone agrees some form of change is needed. The COAB has lobbied to push those Chicago academics from its work (and the academics agree). But as of now, the city isn't even saying whether COAB members' terms will be allowed to simply end on January 31, leaving a further gap in Portland's police reform effort.

Asked for comment, Hales and Commissioner Amanda Fritz sent short written statements, speaking of their commitment to righting the ship, but without suggesting how that can happen.

COAB members, fresh from two months in limbo, are waiting on an answer.

"COAB is transitory," Steenson told the group last week. "We are not quite dead, but eventually we're going to expire."

Portland's Auditor Says Commissioner Amanda Fritz is Trying to Illegally Force a New Elections System on Her Staff

By Dirk VanderHart

October 28, 2016

To all the questions surrounding Commissioner Amanda Fritz's bid to revive publicly financed elections in Portland, you can add one more: Is it illegal?

According to Portland Auditor Mary Hull Caballero, the answer is yes—at least as the policy is written now.

As Portland City Council prepares to take up Fritz's "Open and Accountable Elections" proposal for the first time next Thursday, Hull Caballero says the commissioner is running afoul of the city's charter by dumping the complex administration of the program on the auditor's office against her will.

"This is a city commissioner, over my objection, forcing something onto this office," Hull Caballero told the Mercury on Thursday. "To me it seems to be unprecedented. I don't know of another case where that has occurred."

Hull Caballero's concerns are rooted in a new chapter of city code [PDF] Fritz wants her colleagues to pass in coming weeks. Under a scheme Fritz, with help of advocates, cribbed from New York City and elsewhere, candidates for Portland commissioner, mayor, or auditor could leverage small contributions into hundreds of thousands of dollars in taxpayer cash.

The problem? Fritz's proposal saddles the "auditor" with taking the whole thing on. The policy, as written, suggests Hull Caballero's staff would have to create rules for the system, certify candidates, track and distribute public funds, carefully sift through receipts, keep track of important deadlines, investigate misdeeds, levy penalties, and more.

Hull Caballero says she has no problem with Fritz's push for public financing, but she's telegraphed for months that she doesn't want responsibility for the program.

Fritz's office, in turn, says it has no intention of making the auditor run the program. Though it inserted the auditor's office into its policy over repeated objections, Fritz's staff argues the definition of "auditor" under the law is loose enough to include other entities.

"We are aware of the Auditor's concerns and have never intended to try and force her to administer the program against her will," Fritz's chief of staff, Tim Crail, tells the Mercury.

Hull Caballero has two chief qualms: Since candidates for auditor could qualify for public financing, a situation could arise where Hull Caballero or another sitting auditor is scrutinizing a challenger's campaign finances (or their own). Fritz's proposal also says disputes within the system would be decided by hearings officers who are appointed by the auditor. That could create an appearance of a conflict of interest.

Fritz and Hull Caballero's offices have communicated on and off about the public financing idea for six months, but the auditor says she never got a sure signal that Fritz was looking to base the system in the auditor's office.

As recently as two weeks ago, Fritz's staff was circulating a copy of the proposal that had "TBD" (to be decided) in spots of the policy that now say "auditor." Still Hull Caballero wanted to reiterate her aversion to managing the program.

She sent Fritz an email on Tuesday, October 18, that read in part:

"Now that I have more information about your plan for the campaign finance proposal, I'm writing to confirm that placing the program in the Auditor's Office is not an option. While I am supportive of the concept of publicly financed campaigns, my office does not have the capacity to manage what you are proposing.... As I told you when we met in April, I do not have the staffing I need to accomplish the priorities I have for this office. I am in no position to take on the implementation of a new, high-profile, complex program..."

Hull Caballero also reiterated a request that her staff had made: That Fritz scrub reference to her hearings officers from the proposal.

Fritz replied a day later, writing merely: "Thank you for this information."

Yet when Fritz's office submitted the version of its Open and Accountable Elections for formal consideration earlier this week, the "auditor" had been given all responsibility for managing the program, and the role of hearings officers remained unchanged. Hull Caballero says Fritz never spoke to her about that move, but that Fritz's office has suggested the auditor's office is merely acting as a "placeholder" until another administrator could be found.

"Commissioner Fritz could be the placeholder," Hull Caballero says. "I view this as a violation of the charter and the boundaries of this office."

Crail says the concern is unwarranted. He points to an 11th-hour tweak of the definition of "auditor" under the law—a change made at Fritz's suggestion. The law now defines the auditor as "the City Auditor or his/her designee, and includes any individual or entity with whom the City contracts to administer and enforce this Chapter or a portion thereof." That's loose enough to account for other entities that might administer the plan, according to Crail, a contention Hull Caballero doesn't buy.

~~includes approved by the Auditor.~~

- B. **“Auditor” means the City Auditor or his/her designee, and includes any individual or entity with whom the City contracts to administer and enforce this Chapter or a portion thereof.**

"We are continuing to pursue options that do not involve the Auditor administering the program, and will not schedule a vote until we have made substantial progress in figuring out the solution to that question," Crail says.

He notes, though, that "supervision of City elections" is one of the auditor's duties. Hull Caballero says those duties don't extend to Fritz's proposal.

The city's charter lays out a series of core jobs the auditor is responsible for: conducting audits, supervising elections, keeping records, and certifying city officials. Beyond that, the charter says that "other duties as may be assigned by the Council with the consent of the Auditor..."

Hull Caballero says she never gave consent.

Fritz and her allies have been looking around for other options. Multnomah County officials confirm that they've been approached about overseeing the new elections system, should it pass. But for now, that looks like a non-starter.

"There is absolutely nothing that's going to happen when we are facing the massive list of a general election," says county spokesperson Julie Sullivan-Springhetti. "Literally there is no bandwidth."

Tim Scott, the county's elections director, tells the Mercury he spoke briefly with Fritz's office in July.

"Since we don't have any role in campaign finance in Oregon we didn't have much to add to the conversation," Scott says. "I suggested that they discuss their proposal with the state."

Fritz's office has also looked into whether the city's Office of Management and Finance will take on the program. If neither OMF nor the county is willing to administer Fritz's policy, it might die on the vine.

Should an entity take on the election system, they'll have some new resources in order to implement it. Backers are promising an as-yet undetermined amount of money that could pay for staff to help run publicly financed elections. So far, though, discussions have centered around one full-time staffer, with an option to hire temporary help during elections. Hull Caballero says that's not enough.

The elections system Fritz is proposing is far different than Portland's "voter-owned elections" system, which proved susceptible to fraud and which voters scrapped by a narrow margin in 2010.

Candidates interested in participating in the program would agree to accept donations of no more than \$250 per person, and to limiting their spending (a maximum of \$950,000 for mayoral races, and \$550,000 for city commissioner and auditor races). To qualify candidates would have to prove their candidacy is viable by collecting a set amount of donations from a set amount of voters—at least \$5,000 from 500 voters for mayoral candidates, at least \$2,500 from 250 voters for commissioner or auditor hopefuls.

Once they did that, the city would commit to paying \$6 for every \$1 candidates raise from individual donors, up to \$50. That means a small \$50 donation could be leveraged into \$350. There's a limit on the amount of public funds candidates can draw, though. The policy maxes out at \$760,000 in public funds for mayoral candidates (between primary and general elections), and \$360,000 for city commission candidates.

Fritz says her proposal has the ability to cut runaway spending on city elections, and to force candidates to focus on meeting with a wide swath of people, rather than courting a small

amount of well-heeled backers. But it faces skepticism from some members of city council, who don't believe there are problems with the current elections system.

More pressing, it's unclear that city council is willing to pass Fritz's proposal into law without first referring it to voters, since the city's first dalliance with publicly financed elections was voted into oblivion.