

## The Oregonian

### Portland's Amanda Fritz aims to move Old Town homeless camp as lawsuit snares current spot

*By Jessica Floum  
February 10, 2017*

Two Portland development companies set on renovating Old Town Chinatown's Grove Hotel are suing the owners of property across the street to evict the homeless tent camp set up there.

Filed by developers of the Grove Hotel, a high-profile project designed to help revitalize the neighborhood, the suit argues the camp violates Portland's zoning code, defies Oregon's permitting rules for setting up a park or camp and impedes redevelopment of the Northwest Portland neighborhood.

Bob Naito is lead owner of Grove Hotel Partners, which is developing the nine-story hotel. Grove Hostel Property, which helped acquire the hotel property, is also suing.

The groups worked to remake the historic hotel, which stretches for a full block from Fourth Avenue to Fifth Avenue on West Burnside Street in Old Town, into a high-end tourist destination with restaurants and other retail offerings on the ground floor.

They argue in the suit that the camp, known as Right 2 Dream Too and located at Northwest Fourth Avenue and Burnside Street, interfered with the renovation of the hotel by reducing the neighborhood property values and lowering the value of their proposed project by \$900,000.

The tent camp, governed by its occupants, has operated on the site with the permission of property owner Michael Wright for more than five years.

Wright did not respond to a phone call and a text requesting comment. The Oregonian/OregonLive was also unable to reach Mark Kramer, an attorney who represented him in a separate lawsuit against the City of Portland.

Portland city officials have long struggled to find another location for the camp, even after directing \$846,000 toward the project.

Commissioner Amanda Fritz recently found a new potential site, her chief of staff Tim Crail told The Oregonian/OregonLive Thursday. He declined to say where it is, but said the commissioner is keenly aware of the April 7 deadline to find the campers a new location.

Suing to force removal of the homeless residents "was the last resort when my client felt that nothing else seemed to be working," said attorney Steve Naito, the brother of Bob Naito who is representing both groups in the case. "They felt they had received assurances from the city that the camp would be moved and that hasn't happened."

Wright is among four defendants named in the lawsuit, along with wife Linda Wright, and fellow property owners Daniel and Donna Cossette.

The four have co-owned the property across from the Grove Hotel at the base of Old Town's Chinese gates since Wright and Daniel Cossette bought an adult bookstore on the property in 1984.

A dispute with former City Commissioner Randy Leonard ended the bookstore in 2008. The owners later demolished the bookstore, and Wright invited the Right 2 Dream Too homeless camp to move onto the property in October 2011, in part to spite the city for Leonard's actions.

Although the Cossettes co-own some of the land the Right 2 Dream Too residents occupy, court filings make clear that the Wrights are the sole decision-makers in favor of hosting the camp. A lawsuit filed on behalf of Donna Cossette in January says Wright is responsible for any damages the owners incur as a result of zoning code violations or nuisance charges.

The Cossettes "have zero responsibility" for the Grove Hotel lawsuit's claims, said attorney Charles Markley, who represented Donna Cossette's guardian in the January case against Wright.

"It's Michael Wright and only Michael Wright (who) allowed Right 2 Dream Too to come onto the property," Markley said.

Cossette's advocate claims in the lawsuit that Wright owes her more than \$185,000 for rent Wright failed to charge the homeless camp, demolition costs and payments made by the Portland Development Commission to begin buying the property.

In October 2014, the four owners entered an agreement to sell the property to the Portland Development Commission for \$1.2 million, plus \$300,000 made in 30 monthly payments of \$10,000. The commission sent the monthly payments to Wright, the lawsuit said. It paid \$290,000 to Wright as of Feb. 9, said commission spokesman Shawn Uhlman. The lawsuit alleges that Wright has not paid Donna Cossette her full share.

Portland City Council voted in February 2016 to move the controversial camp to the Central Eastside, but a ruling by Oregon's land-use board blocked the move. The ruling found that city officials abused local zoning rules by trying to classify a residential camp as a nonprofit so they could move it to an area zoned for industrial use.

In 2013, Fritz and former Mayor Charlie Hales worked to find a new home for the camp in the Pearl District, but neighbors and local business owners fought the plan until Hales looked elsewhere.

City officials created a list of 21 potential new sites. None worked out so the city turned to the Central Eastside location. The Oregon land-use's ruling left the camp with an uncertain future.

The Portland Development Commission agreed to close on the property by April 7, so long as the owners passed environmental and archaeological inspections and removed the campers living on the property, said Uhlman, the development commission spokesman.

"The ball is in their court as far as clearing the site," Uhlman said. "As we get closer to that deadline, we'd have to take a much harder look at what the next step options would be. The requirements we've put in place have been very clear as well."

"Amanda and the city are committed to finding them another location by that date," Crail said.

Former Right 2 Dream Too co-founder Ibrahim Mubarak said moving the camp will push the campers further from nearby social services.

"For the sake of gentrification, someone has to get pushed out and hurt and it's usually the poor people," Mubarak said. "They're doing that true to form by discriminating against us. They're saying because we don't have no house, we don't have a right to be around."

## **Charlie Hales' \$3,150 vanity project: Editorial valley**

*By The Oregonian Editorial Board*

*February 9, 2017*

\$3,150: That's how much taxpayers paid for the design and printing of brochures whose only apparent purpose is to trumpet the alleged accomplishments of former Mayor Charlie Hales.

Hales, as noted in an earlier editorial, had handed out the brochures and posted it on his personal charliehales.com website before he left on an extended sailing trip. Under the title "We all live here together," the brochure, designed by Portland firm Murmur Creative, made a number of boasts with varying degrees of accuracy. For example, the brochure claims that during Hales' term, \$800 million was diverted from urban renewal programs to fund public safety, parks and other services. Nope. Hales' urban renewal changes didn't "divert" \$800 million to other services. Rather, that's the property value that was returned to tax rolls. Or consider the claim that repaving went from 35 miles a year to more than 100. Nope again. Most of those 100 miles aren't being repaved - they're being maintained through less durable fog and crack sealing.

So far, no one is looking to have Hales repay the \$3,150. It appears to have been authorized by his then deputy chief of staff, Diana Nunez, and was classified as a constituent communications expense. While it's small consolation, at least Portlanders can breathe a sigh of relief that they are his constituents no longer.

## **The Portland Tribune**

### **Portland moves 'no-cause eviction' lawsuit to federal court**

*By Jim Redden*

*February 9, 2017*

The city of Portland moved the lawsuit seeking to block its new requirement that landlords pay moving costs of tenants evicted for "no-cause" to federal court late Thursday.

An attorney representing two landlords had originally filed the suit in Multnomah County Circuit Court, claiming the new policy unanimously approved by the City Council last Thursday violates the existing statewide ban against local rent control programs.

But because attorney John DiLorenzo also argued the requirement illegally interferes with the contact and due process clauses of the U.S. Constitution, the city moved the suit to the United States District Court for Oregon. It has been assigned to U.S. Judge Michael Simon.

DiLorenzo says he was caught off guard by the transfer because he was not notified by the city of it in advance. Although he can request that the suit be moved back to the circuit court, DiLorenzo says he may let it proceed in federal court. The case can probably be heard as swiftly there, says DiLorenzo.

The city clashed with Simon on his demand for more updates on the progress of its police excessive force settlement with the U.S. Department of Justice.

The new policy requires landlords to pay moving costs ranging from \$2,900 to \$4,500 to tenants who are evicted, or whose leases are not renewed, without a formal claim that they violated their rental agreements. It also applies to tenants who choose to move if their rents are raised more than 10 percent in 12 months. Landlords with only one unit are exempted.

The council passed the policy at a single hearing. It took effect immediately. Many smaller landlords testified against the proposal, but the council argued Portland is facing a homeless and housing crisis caused in part by no-cause evictions and rising rents.

State law prohibits cities from adopting rent control programs. An opinion issued by the Legislative Council last year said requiring landlords to pay moving costs would be legal, however. In his filing, DiLorenzo argued the requirement would effectively end no-cause evictions, creating a de facto form of rent control. He also argued it interferes with existing contracts.

The filing also said the council violated its own rules by approving "conceptual amendments" to the ordinance enacting the policy that were written after the vote by the City Attorneys Office and not specifically approved by the council.

## **The Portland Mercury**

### **Fate of Portland's New Renter Protections to be Decided By A Judge Our Last Mayor Called "Odious"**

*By Dirk VanderHart  
February 9, 2017*

The City of Portland's about to argue the legality of its brand new renter protections in front of a judge former Mayor Charlie Hales just insulted.

In a move that an opposing attorney called surprising, the Portland City Attorney's Office has asked that a lawsuit over new renter relocation fees take place in federal court, not the Multnomah County Circuit Court it was filed in.

In doing so, the city has landed its case before US District Court Judge Michael Simon—the same judge who's overseeing the city's ongoing efforts at police reform, and whom the city has repeatedly clashed with to the point then-Mayor Charlie Hales recently said Simon had "lost credibility."

"The city surprised us late this afternoon by filing a removal petition in federal court," John DiLorenzo, an attorney for two landlords suing the city, said in a message to reporters this afternoon.

As we reported earlier this week, DiLorenzo's clients, Philip Owen and Michael Feves, believe new rules the city enacted a week ago fly in the face of Oregon law, the state and US constitutions, and city code.

The new ordinance requires landlords to pay relocation costs between \$2,900 and \$4,500 if landlords evict tenants without cause, refuse to renew a lease, or raise rents by 10 percent or

more. City council voted unanimously to pass the law as an emergency after a marathon hearing last Thursday.

City officials did so anticipating the lawsuit filed mere days later.

Along with the move to federal court, the case now has a clearer schedule. According to the federal court docket, DiLorenzo has promised he'll file a motion seeking a temporary restraining order to the law tomorrow (that's the same kind of order that's got Trump's Muslim ban on ice). The city will have until Monday to respond, and Simon will hold a hearing on February 15 on whether to halt enforcement of the new ordinance, court records show.

The city's found a lot to disagree with Simon about lately. In December, City Council voted to challenge the judge's authority, after he ordered the city to appear before him on a matter having to do with an ongoing settlement with the US Department of Justice over police abuses. It was the second time the city had challenged Simon's authority to call it to account in the case, but it came with some particularly strong words from then-Mayor Hales, who told the Mercury that Simon had "lost credibility and standing in terms of being an impartial body," and called the judge's conduct "odious."

And now he's deciding the fate of the city's new renter protections!

## Daily Journal of Commerce

### PDC set to hit restart button at Centennial Mills

*By Chuck Slothower  
February 9, 2017*

The Portland Development Commission is moving toward a full-site redevelopment of the Centennial Mills site that would not allow for the Portland police to board its Mounted Patrol horses on the property.

The PDC's board, in a voice vote on Wednesday, expressed support for full redevelopment of the site. That would allow for 400,000 square feet of residential and commercial development, with approximately 325 underground parking stalls.

The PDC is looking to make the site available for development of 20,000 square feet of creative office space in the renovated flour mill as well as 426 residential units and 17,000 square feet of ground-floor commercial space in three separate buildings.

If the PDC were to go that route, the property could not accommodate the Portland Police Bureau's Mounted Patrol Unit. It has occupied a portion of the property in the past.

PDC staffers plan to present the options to the City Council on March 22 and seek permission to move ahead with full-site redevelopment that would move the Mounted Patrol off the site. A police spokesman could not be reached for comment.

A second option would allow the horses to use the property through a lease between the PDC and the police bureau, but far less development would fit, according to a staff report. The partial-site redevelopment option calls for redeveloping the flour mill into an integrated

97,000-square-foot mixed-use building with 85 residential units, 20,000 square feet of creative office space and 7,000 square feet of ground-floor commercial space.

The full-site redevelopment would bring in an estimated \$2 million in annual real estate taxes, compared to only \$350,000 for the partial-site redevelopment.

If the City Council were to approve a full-site redevelopment, the property disposition process would follow in April through June, according to a PDC staff report.

The PDC recommended moving forward with full-site redevelopment Wednesday despite an objection from Commissioner Alisha Moreland-Capuia, who said she needed more information before she could make a recommendation.

“I’m not prepared to say whether full-site redevelopment or partial-site redevelopment is appropriate today,” she said.

Board Chairman Tom Kelly called for a motion, and it passed by voice vote, with every commissioner except Moreland-Capuia saying “aye.”

PDC staffers met Wednesday with representatives of the Pearl District Neighborhood Association. The neighbors expressed concerns about privatizing the riverfront, and asked to ensure access to the riverfront, said Will Thier, a PDC project manager.

Kelly asked whether the PDC would be able to be responsive to the neighbors’ concerns. Thier replied, “Yes, I think so.”

Centennial Mills has proved a challenging site for redevelopment. The PDC acquired the site in 2010 to serve as open space, but in response to public feedback, the agency decided not to demolish the existing buildings.

The agency and private developers have since struggled to redevelop the property. A memorandum of understanding with Jordan Schnitzer’s Harsch Investment Properties expired in 2015.

Most recently, the PDC has worked with GBD Architects, KPFF Consulting Engineers and R&H Construction to craft redevelopment options.

The PDC has led an effort to demolish the feed mill and salvage tons of materials from the site.

The property is 1.02 acres. It includes an underground creek and has a vulnerable floodplain that flooded extensively in 1996.