

The Oregonian

Portland Parks & Recreation preschool program among potential budget cuts

By Jessica Floum

April 21, 2017

Lara Knight-Ibay loves going to preschool. She loves it so much that her mom uses school as a reward to get the 3½-year-old to behave. "If you want to go to school tomorrow, you need to eat your vegetables," Rowena Ibay tells her.

But her preschool program, run by the Portland parks bureau at Mt. Scott Community Center in Southeast Portland, is at risk of being shut down to balance the city's budget.

The Education Preschool Program, which serves 600 children at 12 sites around the city, is among 17 offerings the parks bureau has proposed cutting from its budget next year. Eliminating the preschool program could save the bureau about \$687,000, the bureau says.

Ibay and her husband chose to enroll Lara in the program at Mt. Scott after visiting three other schools.

Jason Knight waited in line behind 10 people at 5 a.m. to get their daughter into the twice-a-week a two-hour program. It was the highest quality preschool they could afford with Ibay staying home to take her daughter to swimming lessons and dance class.

"If we are to do a different school then we wouldn't be able to afford to do all the activities she really wants to do," said Ibay, a Philippine native.

Soon, the family might not have a choice.

Mayor Ted Wheeler asked all of the bureaus in January to submit budgets that would show a 5 percent reduction in general fund spending. A preliminary budget forecast [released by the city's budget office in December](#) said Portland must cut \$4 million to balance its budget over the next five years.

That meant parks had to propose \$3.2 million worth of cuts to get to an operating budget of about \$140 million next year. The mayor will evaluate all of the bureau's suggestions and release a proposed budget on May 1 that could include some, all or none of the cuts.

The preschool program is ranked 15th out of the 17 proposed cuts, parks Commissioner Amanda Fritz told The Oregonian/OregonLive in a text.

"We very reluctantly came to preschool as one area in recreation we could reduce," said Eileen Argentina, the bureau's recreation services manager.

The bureau also suggested eliminating a parks maintenance position, eliminating maintenance of decorative fountains owned by Portland Water Bureau and eliminating maintenance and improvements to Ladd's Rose Garden and the Pittock Mansion.

"That's hitting neighborhoods that are not among our most needy," Argentina said.

While making any cut is difficult, recreation programs are the easiest to cut from because they are not among the services uniquely provided by the parks bureau, Argentina said. For example, the parks bureau is solely responsible for operating the city's aquatic centers.

Nonprofits, churches and for-profits provide alternative preschool options, Argentina said. The Portland Public Schools Head Start program serves low-income families that make below a certain threshold. To qualify, families of four must have incomes of less than \$24,600.

"For a lot of us, we don't qualify for Head Start because we make too much money, and then a lot of us are on a single income where it's hard to afford the private schools," said parent Lee Pritchard. Her 3-year-old daughter attends the Mt. Scott Community Center pre-school for \$88 per month.

Argentina said other preschool providers are not large enough to absorb the preschoolers who would get displaced by cutting the parks program, but said the bureau had little choice.

Cutting the program could disproportionately affect disabled children, said Ted Bryan, an organizer at Laborers Local 483, a union that represents parks bureau workers and other city employees.

"A lot of private preschools are not able to accommodate students with disabilities," Bryan said.

The bureau prioritized "issues of equity" when deciding where to cut, the bureau's budget request said.

Among families with children enrolled in the parks bureau preschools, 20 percent identified as people of color, 60 percent identified as white, six percent identified as 'other' and 15 percent declined to provide their race or ethnicity a bureau report said.

"Our values are always to protect more vulnerable populations," Argentina said.

Managed by Commissioner Amanda Fritz, the parks bureau convened a budget advisory committee that included the parks board, labor representatives, neighborhood coalitions and advocacy groups. The group held listening sessions, including one that solicited opinions from immigrant and minority communities.

"Neither PPR nor I support cutting preschool, but we couldn't get to over \$3 million in reductions without putting preschool on the list," Fritz wrote in a text to The Oregonian/OregonLive.

The program used to function without general fund support, Fritz said, "when teachers were paid less than \$15/hour with no benefits."

"I was delighted that the council last year allocated ongoing general fund money to compensate preschool teachers fairly," Fritz wrote in a text. "It would be very sad if the preschool program is cut this year as a direct result of no longer paying teachers poverty wages."

Wheeler will release his proposed budget decisions on May 1, after which the Portland City Council will hold public budget hearings. Bureaus submitted their requested budgets on January 30.

The parks bureau's budget makes up 4.8 percent of the city's total budget, according to the bureau's budget request report.

It's hard to say whether the preschool program will actually get cut in the mayor's proposed budget. The mayor will choose among the 27 bureaus' proposed cuts, recommendations from the City Budget Office and any other ideas he has to balance the budget, mayoral spokesman Michael Cox said. He declined to say whether the mayor will cut the preschool program.

The \$687,000 price tag of the program may make it hard to keep, Argentina said.

"There are really tough choices to be made here," she said.

The Portland Tribune

Apartment developer/landlord vents about city housing policies

By Jim Redden

April 20, 2017

On March 23, Portland developer and property manager Tom Brenneke spoke at the grand opening of a 40-unit affordable housing complex in Lents. His company, Guardian Real Estate Services, built the project for the nonprofit Native American Youth and Family Center. It will be used to place foster children with their grandparents together in a cooperative community setting.

"At a time when affordable housing is a particularly controversial subject in Portland, we're especially proud to launch NAYA Generations," Brenneke said of the \$12 million project. "This is more than housing — it's a true community that promotes stability, collaboration and caring relationships."

The event was well attended by community leaders, including Mayor Ted Wheeler, Housing Commissioner Dan Saltzman, and representatives of Oregon U.S. Sen. Ron Wyden, D-Portland, and Congressman Earl Blumenauer, D-Portland. Few of them knew that just three days earlier, Brenneke abruptly resigned from the Portland Housing Advisory Commission, an appointed volunteer committee created to advise the city on a broad range of housing issues.

Brenneke had brought a wide range of experience to the commission. His company develops both market-rate and nonprofit housing projects. They include The Yard at the east end of the Burnside Bridge and Bridge Meadows Beaverton, another housing project that helps foster children. Guardian also owns approximately 3,000 rental units and manages 10,000 more.

Projects taking longer to approve

Brenneke sat down with the Portland Tribune last week to explain what drove him to resign from the commission after serving on it for around three years. Although the March 20 letter to Wheeler and Portland Housing Bureau Director Kurt Creager did not state a reason, Brenneke says he was growing increasingly frustrated working within what he calls a "dysfunctional" system that is intended — but repeatedly fails — to quickly create more housing for existing residents and newcomers.

"It takes years to get anything built, it really does. And affordable housing projects take even longer," says Brenneke, echoing complaints made by other developers over the years.

Brenneke insists he loves Portland and believes its elected and appointed officials are sincerely motivated. But he also believes the many policies adopted in recent years run counter to their goal of encouraging the construction of as much housing as quickly as possible, including affordable housing for the poorest residents. And he says the process of submitting building plans, meeting design criteria, obtaining permits and completing projects is too complex, costly and time consuming — and getting worse, not better, as the need for more housing is increasing.

"A few years ago, it took three or four months to get a permit. Now it's six to nine," Brenneke said.

Panel not consulted

Some of Brenneke's frustrations focus on the commission he resigned from. It was created by the City Code in 2010 to advise the director of the Portland Housing Bureau, the housing commissioner and the City Council on housing policy, program and budget issues. It is also intended to serve as a public forum on housing issues as they emerge in the community. But Brenneke says city officials rarely asked the commission to weigh in on the major issues they are discussing.

Among other things, Brenneke says officials did not seriously engage the commission on such hot-button issues as the Housing State of Emergency, inclusionary zoning or the new requirement that landlords pay relocation costs for tenants facing no-cause evictions. And he was disappointed when a new "stakeholder group" was appointed to help decide how to spend the rest of the \$258.4 million affordable housing bond approved by the voters last year. He says such groups frequently delay important decisions from being made.

"It will be a year or longer before any of that money is spent," Brenneke predicts.

And as a landlord, he was then shocked that no such group was formed to provide feedback before the no-cause eviction vote. Now, Brenneke says, the city is lobbying the 2017 Oregon Legislature to lift the statewide ban on rent control programs — but will only consult with landlords about it afterward.

And even then, Brenneke does not believe city officials take the concerns of the development community seriously. When Commissioner Dan Saltzman was crafting the inclusionary zoning policy, he was repeatedly warned that requiring affordable units in buildings with more than 20 apartments would make them impossible to finance. The council approved the policy anyway. There was a surge of permit applications for buildings with 20 or more units before the policy took effect on Feb. 1, but they dropped off sharply after that.

Supports density strategy

Brenneke strongly supports the city's policy of adding housing by increasing density in urban centers and along major transportation corridors. He favors the tall apartment buildings allowed in recent land use plans, like the state-required Comprehensive Plan update approved last year by the council. But actually getting them built is another matter, Brenneke says. They are frequently opposed by neighborhood associations and two city committees — the Portland Design Commission and the Historic Landmarks Commission — resulting in months of delays, design changes that reduce sizes, and cost increases associated with the redesigns.

The two commissions have authority over projects in some of the most popular parts of town.

Brenneke says things go much more smoothly when they are not involved. Then, much more specific community design standards apply that are much easier to understand and meet. Brenneke says building the 166-unit Oxbow49 multifamily project in the John's Landing area was relatively simple under those standards.

Brenneke said he was surprised by the controversy that erupted when the city agreed to spend \$37 million from the affordable housing bond to purchase the 263-unit Ellington Apartments from his company last December. The total cost was \$47 million. A private purchaser would have increased the rents, he says, forcing at least some of the tenants to move.

Although the Portland Housing Bureau promised to decrease the rents, Wheeler put an immediate halt to all further bond spending until new guidelines can be adopted. The Affordable Housing Bond Stakeholder Advisory Group that is considering them met for the first time last

Monday. It is scheduled to meet seven times over five months before making any recommendations.

"I thought the city got a good deal (on the Ellington Apartments) and the reaction was like we had done something wrong," Brenneke says.

Brenneke says the final straw was when Creager admitted the Housing Bureau had used inaccurate figures about multifamily housing projects needing repairs to secure \$500,000 from the council last year for a new loan program. The bureau claimed 400 properties in East Portland had been identified as needing repairs when the actual number at the time was less than 20.

Although the commission reviews the bureau's budget before it is submitted to the housing commissioner, Brenneke couldn't remember hearing anything about the program before.

"I was embarrassed by that, and wondered how many more things like that were out there" says Brenneke, adding that he believes Creager is a good administrator handicapped by too much bureaucracy.

The Oregonian broke the story about the inaccurate repair data on March 19. Brenneke resigned the next day.

Affordable housing bond committee faces challenges

*By Jim Redden
April 20, 2017*

A new committee created to help spend the affordable housing bond funds approved by Portland voters last fall is struggling with how the city can buy and build the largest possible number of units, given legal restrictions that prevent it from partnering with nonprofit providers on the projects.

"Public pressure is on us to demonstrate we can spend these resources wisely," member Andrew Miller, executive director of the Human Solutions social service organization, said Monday at the beginning of the inaugural meeting of the 21-member Affordable Housing Bond Stakeholder Advisory Group.

"We should prioritize the units built, not the dollars spent. It's not just the units for bucks, but good outcomes," member Duncan Hwang of the Asian Pacific American Network of Oregon said after a round of small-group discussions near the end of the meeting.

Voters approved a \$258.4 million bond to preserve and construct affordable housing at the November 2016 general election. It was referred to the ballot after the City Council declared a Housing State of Emergency in September 2015.

The funds will be spent by the Portland Housing Bureau, which says the money should produce 1,300 affordable units, most of them suitable for families. The average cost would be \$178,000 per unit, after administrative expenses.

Committee member Dyke Dame was quick to suggest the money could go further if it was used to buy land that was then leased to someone else who would build such projects.

"The city could buy the land, then approach all the friendly banks in town for construction loans," said Dame, co-owner of Williams & Dame Development Inc.

The committee learned that not all of the full \$258.4 million is up for grabs. The city recently purchased the 248-unit market rate Ellington Apartments in Northeast Portland with the goal of converting all of it into affordable housing. Bond funds are expected to repay around \$37 million of the \$47 million loan used to purchase the property in February.

For that to happen, every household in the complex earning more than 60 percent of the area's median family income eventually may have to be evicted, something Dame called "a PR problem" for the city.

The decision to purchase the Ellington Apartments was made last year, when Commissioner Dan Saltzman was in charge of the bureau. Mayor Ted Wheeler took control of the bureau in January and suspended all additional spending until new guidelines were developed for use of the bond funds. The committee that met Monday is charged with developing a community-driven policy framework to guide the goals, objectives, decision-making and reporting for bond funds. It will hold four more meetings before presenting a draft plan July 31.

The Housing Bureau will use the final plan to guide future bond spending decisions. The framework also will be the primary policy document used by the Bond Oversight Committee to review the spending.

Advisory committee members represent advocacy organizations, social service agencies, affordable housing developers, and public bodies working on homeless and affordable housing issues.

Future topics

The following topics are scheduled to be discussed at upcoming advisory committee meetings:

- Community Needs: 6-8:30 p.m., New Song Community Church, 220 N.E. Russell St.
- Bond Goals & Priorities: 2-5 p.m., Tuesday, May 30, Portland Housing Bureau, 421 S.W. Sixth Ave, Suite 500
- Criteria for Acquisition and Production: 6-8:30 p.m., Tuesday, June 13, Rosewood Initiative, 16126 S.E. Stark St.
- Guidelines for Operations: 9 a.m.-noon, Tuesday, July 11, Portland Housing Bureau, 421 S.W. Sixth Ave, Suite 500
- Draft Framework Plan: 6-8:30 p.m., Monday, July 31, Portland Community College, Southeast Community Hall, 2305 Southeast 82nd Avenue and Division Street.

Members of the Affordable Housing Bond Stakeholder Advisory Group:

- Allan Lazo, Fair Housing Council of Oregon, liaison to the Bond Oversight Committee (BOC)
- Andrew Miller, Human Solutions
- Betty Dominguez, Portland Housing Advisory Commission and Home Forward
- Bev Logan, Metropolitan Alliance for Common Good (MACG)
- Bob Brown, MACG
- Dike Dame, Portland Housing Advisory Commission (PHAC) and Williams & Dame

- Duncan Hwang, Asian Pacific American Network of Oregon
- Emily Lieb, Metro
- Frieda Christopher, East Portland Action Plan
- Jerome Brooks, Oregon Opportunity Network
- Jes Larson, Welcome Home Coalition and BOC liaison
- Margaret Bax, independent government relations professional
- Mary Nemmers, MACG
- Maxine Fitzpatrick, Portland Community Reinvestment Initiatives and PHAC
- Felicia Tripp, Portland Housing Center and N/NE Oversight Committee
- Ann Takamoto, Native American Youth and Family Center
- Patricia Rojas, El Programa Hispano Católico, and Age Friendly Coalition and A Home for Everyone
- Raihana Ansary, Portland Business Alliance and A Home for Everyone
- Shannon Singleton, JOIN and A Home for Everyone and PHAC
- Tom Rinehart, Portland Office of Management and Finance
- Vivian Satterfield, Organizing People/Activating Leaders.

City Club endorses Portland auditor reform ballot measure

By Jim Redden

April 20, 2017

The City Club of Portland overwhelmingly endorsed a measure on the May 16 special election ballot to increase the independence of the Portland City Auditor.

A full 99 percent of the longstanding civic organization voted support Measure 26-189 on Friday.

The measure was written by City Auditor Mary Hull Caballero and unanimously referred to the ballot by the City Council. If approved by the voters, it would diminish the control over the office by some of the city bureaus it is authorized to audit.

Among other things, the measure would allow the auditor to hire independent legal counsel instead of being required to rely on the City Attorney's Office for such advice.

"Because support surpassed two-thirds, the recommended Yes vote becomes an advocacy position of the Club. We will pursue opportunities to urge voters to support the measure," Interim Research & Policy Director Chris Trejbal wrote in an email to City Club members announcing the vote results on Friday.

Special election ballots will be mailed to voters on Wednesday, April 26.

Chief Marshman speaks on state of police bureau

*By Tem Becker/KOIN 6 News
April 20, 2017*

Portland Police Chief Mike Marshman is back to work after almost three weeks of administrative leave due to an investigation for possible wrongdoing.

Marshman was cleared by the investigation, but the police bureau remains unsettled. Several employees are under investigation for various reasons and Mayor Ted Wheeler is looking to hire a new police chief this summer.

Marshman discussed the state of the bureau with KOIN 6 News on Thursday, talking about whether there is a discipline problem and what he learned about internal investigations first hand.

"[Investigations] need to be quicker," Marshman said. "Because personally for me, being gone three weeks, I quickly became out of touch with the day-to-day operations of the bureau."

He said it was hard to jump back into budget and summer planning after three weeks. He wants to make sure the process is fair but more timely in the future.

There are currently 10 Portland Police Bureau employees on leave from an already short-staffed police force.

"Is ten a big number compared to over a thousand? No," Marshman said. "But its a process that we have in place and that due process needs to be followed for everybody."

He said any discipline issues that exist in PPB are comparable to any other police agency.

"I think this is a very professional organization," he said.

Marshman said the bureau will need to hire 75 officers every year for the next 5 years to make up for the loss of one third of the force who are eligible for retirement in that period.

Portland police have come under fire for their response to protesters in the city recently, some event protesting the bureau itself.

"Comparatively speaking, I think this agency does very well on a whole number of fronts, number of issues. That said we will never reach perfection," Marshman said.

He said the bureau is fine with protests and "more patient than most," but they want to people to be safe.

The bureau is working with the American Civil Liberties Union on a policy for responding to protests when they start to get out of hand.

"We don't have a carbon copy, if 'A' happens we do this," Marshman said. "We try to deescalate, we try to see each situation for what it is and respond accordingly."

Meanwhile, Wheeler is conducting a nationwide search for the next police chief and expects to pick a replacement by July.

"I'll see what the job description says," Marshman said. "I could see applying, we'll see how it goes."

Overall, Marshman said the Portland Police Bureau is progressive and professional.

"You hear the term 'best practices' quite a bit. I would rather not follow best practices," Marshman said. "I would rather have this organization set best practices."

KOIN News 6 is a news partner of the Portland Tribune. To see their story, go to koin.com.

Portland leaders embrace autonomous vehicles

*By Jim Redden
April 19, 2017*

Portland leaders embraced self-driving cars and trucks as an important part of the future transportation system on Monday.

At a morning press conference, Mayor Ted Wheeler and Commission Dan Saltzman announced a Smart Autonomous Vehicle Initiative (SAVI) with the hope of having them tested on city streets in 2017.

"Portland's long history of transportation innovation is about to enter a new chapter," Wheeler said. "My goal is to have an autonomous vehicle pilot program in Portland, working for Portlanders, by the end of the year," Wheeler said before he and Saltzman signed a directive for the Portland Bureau of Transportation to develop autonomous vehicle policies and testing solicit proposals from companies developing them.

"Good rules allow business and government to work together, rather than at odds. Autonomous vehicles can make our streets safer by taking human error out of the equation," said Saltzman, who is in charge of PBOT.

The press conference was held following a panel discuss on the future of autonomous vehicle at the Portland Business Alliance's monthly breakfast forum. Wheeler announced the initiative at the beginning of the forum, and he and Saltzman signed the directive to PBOT afterwards. The policies would need to be approved by the City Council before any actual testing on Portland streets can occur.

The experts on the panel all agreed that autonomous vehicle technology is being rapidly developed, making it increasingly possible that driverless vehicles will be used for commutes, deliveries, shopping trips and other transportation purposes in the foreseeable future. They agreed that such vehicles could significantly reduce accidents, cut greenhouse gas emissions, and free up time for travelers that could be put to other purposes.

The experts were Portland General Electric Business Development Director Charlie Allcock, PolySync CEO and co-founder Josh Hartung, and P3 North America managing partner Philip Potkowski. PGE has been a leader in promoting the use of electric vehicle's, PolySync is a Portland-based company developing an operating system for autonomous vehicles, and P3 is a technology consulting company that recently opened a Portland office.

"Evolving our transportation infrastructure is one of the great challenges, and the great opportunities, we face in the Portland region," said Allcock.

Council to consider Portland's largest climate change project Wednesday

*By Jim Redden
April 19, 2017*

The City Council on Wednesday unanimously approved a request from Commissioner Nick Fish to commit \$12 million in sewer ratepayer funds to convert waste methane from the city's sewage treatment process into renewable natural gas.

Fish oversees the Bureau of Environmental Services, which runs the Columbia Boulevard Wastewater Treatment Plant, where the methane is currently generated.

The proposal called for the fuel to be sold in Portland and elsewhere to replace diesel fuel in trucks. It will reduce the city's greenhouse gas emissions by 21,000 tons a year, more than any other single city project to date.

Such sales will replace 1.34 million gallons of dirty diesel fuel with clean renewable natural gas — enough to run 154 garbage trucks for a year.

The proposal also will generate upwards of \$3 million in revenue a year. It has an estimated payback period of three years.

"We are creating a triple-win for the public in terms of revenue, climate action and cleaner air," Fish says. "The renewable natural gas we will produce is truly local and homegrown, a by-product of the waste from every Portland household that we can now repurpose."

The proposal was considered by the council as three ordinances on the agenda for April 19, three days before this year's Earth Day. One authorized a \$9 million contract to modify treatment plant that currently recovers methane from the waste stream. Another authorized a contract for a little more than \$1 million with NW Natural to distribute the additional gas expected to be generated. The third promised to reimburse NW Natural for a \$1.94 million Renewable Compress Natural Gas fueling station to be built the plant for fleet vehicles.

BES has been moving to 100 percent recovery of its methane waste for years. According to BES, about half is already reclaimed to heat and power the treatment plant. Some has been sold to a local roofing company. The rest, about 23 percent, has been burned and released as carbon dioxide into the atmosphere, a process called flaring.

The project will move the plant to 100 percent methane recovery and eliminate regular flaring.

"We have found a way to eliminate that pollution and turn it into revenue for Portland ratepayers," says Fish. "That's a good way to begin Earth Day celebrations."

The fueling station could be finished by as early as the end of 2017 and be used for BES and other city trucks. By the end of 2018, BES expects to begin feeding renewable natural gas into NW Natural's network. That fuel will be sold on the renewable energy market via a system of energy credits to out-of-state and Oregon buyers.

"Because our product is a renewable fuel and not a fossil fuel, it commands a five-to-10 times higher price on the renewable energy market," said Environmental Services Director Mike Jordan. "Doing the right thing turns out to be a great deal."

NW Natural provided engineering standards and developed a regulatory framework to facilitate this project.

"We are proud to be a part of our city's efforts to close the loop on waste," says David H. Anderson, NW Natural president and chief executive officer. "We look forward to this being the first of many renewable natural gas projects that move us toward a low-carbon future."