

## **The Oregonian**

### **From cancer survivor to mayor, Portland fans of affordable housing rally to forestall federal cuts**

*By Molly Harbarger*

*July 28, 2017*

Oregon could lose \$80 million a year in federal housing funding in the proposed White House budget, and the hit to the Portland area could be disastrous for low-income veterans, seniors and families, elected leaders and advocates warned Friday.

The potential cutback for Multnomah County would be about \$20 million a year, money now counted on to help homeless people find permanent housing, keep families on the cusp of losing housing off the street and enable nonprofits to buy and develop affordable housing.

That's housing that people like Annie Calhoun needed during her fight with pancreatic cancer. She said Friday that public housing prevented her from being homeless when she lost her income and independence, along with some part of her pancreas, her entire spleen and some teeth.

"I'm a tough cookie, but if I didn't have a stable home to rely on, I don't know that I would be here talking to you," she said.

Calhoun told her story in McCoy Park at the 82-acre New Columbia affordable housing community that the Multnomah County housing authority developed beginning in 2003, in part with a federal grant.

She lives in one of 2,100 low-income apartments owned by Multnomah County. About 20,000 wait on a list for public housing. Many of the residents of New Columbia and Calhoun's building in Sellwood are seniors, people with disabilities, veterans and families with children who can't make enough money to keep up with Portland's rising rents

She was joined by local leaders who hosted the event as part of a nationwide effort to urge Congress and the White House to dedicate more money to affordable housing and combatting homelessness.

"Budget cuts are unacceptable. The status quo is unacceptable," said Michael Buonocore, executive director of Home Forward, Multnomah County's housing agency.

Buonocore said that the current federal budget only allows a quarter of people in Multnomah County who need help with permanent housing to get it. The federal government has rolled back its investments in public housing steadily since about the 1980s, he said. That period of sustained disinvestment, many homeless and low-income housing experts say, has fanned the flames of large-scale homeless crisis in Portland. In other cities, too, apartment vacancy rates are low and rents are rising.

Portland Mayor Ted Wheeler pointed to a trio of efforts the city has made recently to combat the shortage of affordable housing: a voter-endorsed housing bond, an ordinance making landlords pay relocation costs for some displaced renters and enticements for developers to build affordable housing.

But he said the city can't make up a gap if federal funds don't come through.

Portland, for example, claimed the title of the first West Coast city to effectively end veterans' homelessness, meaning that if a veteran wants housing, there is a way to obtain it. But that program relies on a specific voucher program that would be flat-lined under the proposed White House budget.

If that budget were to pass Congress, as more veterans become homeless in Multnomah County, there would be no new available vouchers for them to find housing again.

"Housing is not an investment. Housing is not a luxury. Housing is a human right," Wheeler said.

The city and county's Joint Office of Homeless Services received more money from both governments this year than ever before. The state also dedicated twice its usual allotment for emergency housing and homeless programs and doubled its low-income housing construction budget.

Multnomah County Chairwoman Deborah Kafoury said Oregonians will still suffer, though, if the proposed federal housing budget is adopted in its current form.

"They should be talking about how many more vouchers we need, not less," Kafoury said. "We won't allow this president and this Congress to turn their backs on us."

## **The Portland Tribune**

### **PERS board lowers assumed rate of return**

*By Claire Withycombe  
July 28, 2017*

The change is projected to increase the system's unfunded actuarial liability by \$2 billion.

TIGARD, Ore. — The governing board of the state's public pension system Friday lowered the rate of assumed earnings on the state's pension fund.

The board adopted to assume a 7.2 percent rate of return on the state's investments of the Public Employees Retirement Fund. The rate is currently 7.5 percent.

That decision doesn't affect how much the state actually earns on its investments, which are overseen by the state's investment council.

But the change is projected to increase the system's unfunded actuarial liability, the amount by which the system's obligations exceed its assets.

Using the new rate, the state's actuary will calculate a new unfunded actuarial liability, a figure that will be revealed later this year. The new rate is expected to increase the unfunded liability — at most recent valuation \$21.8 billion — by about \$2 billion.

The decision is also expected to increase the amount of money that individual public employers must dedicate to paying for employees' pension benefits as a share of payroll.

In a defined-benefit plan such as the one Oregon provides to its employees, employers have to make up the difference between what employees are guaranteed and what the state's investments are able to return.

Local budget managers are bracing for the effects of the change.

While the decision may appear abstract, for school districts, where personnel costs can make up roughly 80 percent of annual budgets, the effects are real.

Nearly every year since 2008, Eastern Oregon's Umatilla School District has had to make cuts, in part because of increased pension costs, according to Superintendent Heidi Sipe.

Sipe said the increases have been higher than additional funds from the state can cover.

"Over the past 10 years, we've modified our textbook adoption processes, limited our supply budgets, enacted energy saving procedures, limited staff increases, cut paid days and had pay freezes," Sipe wrote in an email last week. "If we cannot get funding to adequately address the PERS increases from the state, I see those same strategies again at play in our future which is concerning for our students."

The rate decision has been monitored with interest, especially by those advocating for reforms to the state's pension system.

A Brighter Oregon, a coalition of state businesses that angled for spending reforms during the recently concluded legislative session, is one such observer.

"A more realistic assumption is an important first step toward unmasking the severity of the problem these rising PERS costs create for our state, schools and local governments," said Pat McCormick, spokesman for the group, "and ultimately for Oregon taxpayers left holding the bill for the pension system's growing unfunded liability."

House Minority Leader Mike McLane, R-Powell Butte, said in a statement Friday that the vote "should serve as a sobering moment for our state's political leaders."

Earlier this week, a group appointed by Oregon Gov. Kate Brown, a Democrat, to find ways to leverage state assets to chip away at the unfunded liability, held their first meeting. It has been charged with finding a way to shave \$5 billion from the unfunded liability and are reviewing the state's assets.

Lawmakers can't reduce benefits already earned, per a 2015 Oregon Supreme Court decision.

Some lawmakers, including many Republicans, propose modifying public employee benefits going forward as a way to cut down on the system's costs.

## **The Portland Mercury**

### **A New Citizen Board Charged With Police Oversight Might Have Less Power than the One It's Replacing**

*By Dirk VanderHart  
July 28, 2017*

As we **noted** yesterday, Portland City Council is on the verge finally replacing the COAB.

You might remember the COAB, or Community Oversight Advisory Board, as the citizen body created via the **city's settlement** with the US Department of Justice over police abuses. It was a first-of-its-kind invention, designed to bring community members in on the process of carrying out the settlement and to have input and oversight along the way.

But the COAB was plagued by issues—not least of which was a failure of the city to properly orient members. The group gradually shrank as people dropped out, and was ultimately allowed

to lapse by former Mayor Charlie Hales—putting the city close to noncompliance with the settlement. Now, the city and DOJ have a new group in mind, and it will have a lot less say in the police settlement.

Mayor Ted Wheeler, in conjunction with the US Attorney's Office, is proposing something called the Portland Commission on Community-Engaged Policing, or PCCEP (pronounced *pee-sepp*). The board will be between five and nine members, and share some of the COAB's duties of improving police outreach to the community, and relaying community concerns about policing to the mayor, police chief, Portland Police Bureau, and others.

But the PCCEP would also lose the influence over Portland's progress in the settlement agreement that the COAB was supposed to have. A **set of proposed** amendments to the settlement posted online today, if ultimately adopted, would strip the PCCEP of responsibilities such as providing "independent oversight of the settlement Agreement," as well as the duties to "independently assess the implementation" of the settlement and "provide the community with information on the agreement and its implementation."

Those duties created some of the difficulties that led to rifts in the COAB process. Members of the group frequently bristled when they felt they weren't being allowed independent oversight, and chafed under the leadership of the team of Chicago-based academics who've been tapped to evaluate the city's progress of the agreement (and whose role it was to chair the COAB).

Still, the reduction in capacities will certainly be a point of contention when Wheeler's proposal comes before Portland City Council on Thursday afternoon. While the city and DOJ have agreed to the amendments, according to Wheeler spokesperson Michael Cox, the Albina Ministerial Alliance Coalition still has concerns.

"I do expect some outcry," says Dan Handelman of Portland Copwatch, which is a member of the AMAC.

And it appears the city does as well. In a framework **[PDF]** for the PCCEP Wheeler's office released this week, there's a footnote that says "the City understands there is concern about the role of the Portland community in monitoring the Settlement Agreement, and updating the wider community on the status of the Settlement Agreement."

The footnote goes on to say that the city will update the community on the settlement at annual status conferences before US Judge Michael Simon, quarterly meetings with those Chicago academics, web updates, and "through other means as appropriate."

Cox says the different responsibilities between the PCCEP and the COAB are meant to avoid the kinds of pitfalls that bedeviled the first group.

"When they got into reviewing policy line by line, it turned out that the hours worked... exceeded anything that was ever envisioned," Cox says. He adds that the city envisions the group existing in perpetuity, and believes it will still have "oversight." According to the **lengthy ordinance** council will take up on Thursday, that's a term that's had a fraught definition between the city, DOJ, and AMAC, which met in January, February, and March to hammer out terms for a new board.

"Many of the meetings concerned the issue of whether the community engagement body should engage in 'oversight,'" the ordinance reads. "Following many discussions, the parties agreed to define "oversight" as the ability to review and make recommendations."

Cox notes: "Some also take oversight to mean additional things like monitoring the settlement. Monitoring is the responsibility of the COCL [or Compliance Officer Community Liaison, meaning that group of Chicago academics] and the DOJ."

There are some other notable differences with the PCCEP as well. They'll all be appointed by Wheeler, and will need to be approved by council, Cox says. And not all of their meetings will be public, as occurred with the COAB.

Should council approve the proposed amendments to the settlement agreement—which also pave the way for changes in police discipline policy—they'll need to be approved by Simon in a hearing later this year.

## **The Portland Business Journal**

### **Wheeler nominates restaurateur, planner to fill spots on Prosper Portland board**

*By Jon Bell  
July 28, 2017*

Portland Mayor Ted Wheeler has nominated a Portland restaurateur and a planner with some high-profile projects on her resume to fill two open seats on the board of Prosper Portland.

If approved by the Portland City Council next week, Peter Platt, who owns the popular Peruvian restaurant Andina, and Francesca Gambetti, a partner and project manager with Shiels Oblatz Johnsen Inc., would take over the seats vacated by Mark Edlen and Tom Kelly earlier this month.

"Although they have excelled in quite different arenas, they've both consistently demonstrated, through their work and their civic engagement, a commitment to Portland," Wheeler said in a statement. "I believe their respective areas of expertise and their desire to work for the betterment of all Portlanders will truly benefit the Prosper Portland Board and the citizens of our city."

Gambetti has been with Shiels Oblatz Johnsen since 1998. She's been involved with a range of projects, from civil facilities and housing to schools and mixed-use developments. She's worked with such projects as the \$37 million Mercy Corps headquarters, the \$42 million Museum Place Lofts and the \$5.5 million Rockwood Public Safety Facility.

"I care deeply for this city and, if appointed, look forward to working with an organization focused on equitable economic development," said Gambetti, who earned a bachelor's degree from Yale and a master's in city planning from University of California at Berkeley.

Platt, who earned an MBA from Yale, launched Andina with his family in 2003. The Peruvian restaurant, which calls the Pearl District home, fast became a Portland favorite. It landed the top spot on the Business Journal's recently list of the most popular restaurants in Portland.

"I believe I can bring an operational and a small business perspective to the board," he said. "As Prosper Portland looks to redouble its efforts around equity and ensuring all Portlanders benefit from its work, I'm eager to play a part."

Gambetti and Platt will present their statements of interest for serving on the Prosper Portland board at the Aug. 2 Portland City Council meeting.

Prosper Portland's next meeting, which will include the new commissioners if they're approved, is set for Aug. 9. Commissioners serve voluntary, three-year terms.