

The Oregonian

Portland to Help Fund Affordable Housing Complex in Lloyd District

*By Jessica Floum
November 30, 2017*

Low-income Portland residents and families seeking affordable housing close to downtown will have 240 new options come 2019.

The Portland City Council on Wednesday unanimously approved spending almost \$6 million on a 12-story affordable housing complex on Northeast Grand Avenue in the Lloyd District. The buildings will have 240 studios, one-bedroom and two-bedroom apartments.

The project is expected to cost \$74 million, or about \$300,000 per unit not including the costs for 7,000 square feet of ground-floor retail space. The price includes building to environmental standards, paying construction crews the prevailing wage and building to the neighborhood's standards.

The city on Wednesday gave the property, which has sat vacant since the city bought it in 1989 and is worth about \$2.5 million, to Home Forward, the local housing authority that will lead the development of the project.

All of the apartments will be affordable to individuals or families making 60 percent of the median area income. Fewer than 10 percent will be affordable to those making 30 percent or less than the median area income.

Though commissioners voted together to launch the complex, tensions ran high during discussion of it.

Former housing commissioner Nick Fish said housing officials did not go far enough to ensure that the project would include housing with access to social services for those recently homeless or at risk of becoming homeless.

The city and county in October pledged to add 2,000 additional apartments with services such as physical and mental healthcare, drug addiction treatment, employment coaching or other social services by 2028.

"We now have a policy saying we're going to hit 200 a year and we're going to miss an opportunity in this project to get one," Fish said. "I want to make clear that when we're doing our underwriting, that this is not discretionary ... we're going to build these in."

Fish directed much of his frustration and questioning at Mayor Ted Wheeler, who oversees the housing bureau, and Housing Bureau Director Kurt Creager.

"We've got to figure out a way, mayor, to make this intentional and institutional because we're not going to get there if every project has a laudable other goal," Fish said.

Home Forward Director Michael Buonocore said the agency is "explicitly expressing a preference" to use apartments in the new complex to house victims of domestic violence.

While Fish said he "completely supports" housing for victims of domestic violence, he questioned the decision to serve that group before applying the city's recently adopted pledge to provide housing coupled with mental health care and other support services.

When Creager told Fish that he wanted to "reframe" Fish's characterization of the project, Fish shot back: "I want to get the outcome, not the framing."

Fish told the mayor that he would not support another housing project that does not include support services.

"I can assure you because I've been on the council long enough," Fish said. "Unless we keep our feet to the fire and seize an opportunity on each development to find permanent supportive housing units, we'll never meet the goal we've set. I'm tired of setting goals and then falling short."

Between several interruptions from the crowd, the mayor told Fish that the housing bureau is working on such a strategy.

"I've heard nothing that suggests this project cannot be included under the strategy being developed under permanent supportive housing," Wheeler said.

Commissioners Amanda Fritz and Chloe Eudaly said they shared Fish's concerns.

Eudaly noted, however, how important affordable housing is to protecting domestic violence victims.

Fritz urged Creager to also prioritize housing people who were displaced from the Lloyd District when Portland's development commission purchased the area around the Convention Center.

The city of Portland approved spending \$5.1 million of urban renewal money and \$500,000 from the city and county's joint office for homeless services.

Home Forward will also contribute about \$13 million to the project in the form of cash, deferred fees and loans.

Bank of America Merrill Lynch will serve as construction lender, bond investor and a tax credit investor.

"It leverages our resources, 10-to-1 with outside and private resources," Wheeler noted.

The Portland Tribune

Sources Say: Legal Setback Puts Kitzhaber Comeback on Hold

*By Jim Redden
November 30, 2017*

Plus, Eudaly and Wheeler have not updated their calendars and the city says there are not too many real estate developers on the Planning and Sustainability Commission.

Former Oregon Gov. John Kitzhaber was clearly surprised when the Oregon Government Ethics Commission rejected a \$1,000 fine worked out by the staff to end its conflict-of-interest investigation related to his fiancée Cylvia Hayes.

For starters, Kitzhaber had issued a public apology admitting the conflicts before the Nov. 17 rejection, making it difficult to fight any larger fine. But he also launched a new website four days earlier as part of what appears to be a planned effort to become more publicly involved in state and national politics.

The professionally designed website includes a short biography of Kitzhaber (minus his abrupt resignation as governor in February 2015) and his stands on issues ranging from health care to the environment and the "common good." It can be found at <http://johnkitzhaber.com>.

Too busy to update her calendar

In light of city Commissioner Chloe Eudaly's comment that she is "extremely busy," too busy to talk to the media, Sources wanted to know what she's been doing. But Eudaly's public calendar has not been updated since the week of Oct. 29.

Commissioners Amanda Fritz, Dan Saltzman and Nick Fish all have current calendars, including the coming week, posted on the city website. Saltzman's is the most detailed of the three. Mayor Ted Wheeler's calendar has not been updated since Oct. 19.

Portland City Code requires elected officials and certain bureau directors to publicly post their calendars on official business. The calendars are due by the 15th of the month following the end of the quarter. So, despite the majority of the council's transparency, Eudaly and Wheeler aren't breaking the rules, as long as they post their fourth-quarter calendars by Jan. 15.

Auditor Mary Hull Caballero seems to have this rule down pat. Hull Caballero only posts her calendars by quarter, rather than week-by-week.

Too many developers?

The city of Portland is denying accusations by the Multnomah Neighborhood Association that too many members of the Planning and Sustainability Commission are tied to real estate development. The neighborhood group demands that three of the 11 members be replaced.

The accusation and demand were made on behalf of the association by land-use consultant Eben Fodor in a Nov. 17 letter to the City Council and Portland City Auditor. It cites an Oregon law that says no more than two members of the commission "may engage principally in the buying, selling or developing of real estate for profit." But according to the letter, five members of the commission are developers, Realtors, architects, or land-use attorneys.

Bureau of Planning and Sustainability spokeswoman Eden Dabbs responds that only two of the members — developer Eli Spevak and Realtor Teresa St. Martin — engage in real estate development for profit. The remaining three "are not developers for the purpose of determining Planning and Sustainability Commission membership," Dabbs says.

Prosper Portland Grants \$1.7 million to 5 Areas

*By Jules Rogers
November 29, 2017*

The five urban renewal areas around the city will each receive community livability grants

The Chinatown Gate will soon be fully restored, the Allen Temple Church Fellowship Hall will be rebuilt and Gateway will get a new community kitchen — these are just a few projects on the docket of the recently funded by Community Liveability Grants from Prosper Portland.

Prosper Portland announced the recipients of the Community Livability Grants for fiscal year 2017-18 on Nov. 20, which will help fund 21 projects across five urban renewal areas (URAs).

The grants total \$1.7 million, and the winning projects are expected to leverage another \$11 million in private investment funds and volunteer hours.

To choose the winners evaluation committees for each area met, including representatives from community organizations, neighborhood and business associations, nonprofits, individual business owners and Prosper Portland staff.

The recipients include seven projects in Interstate, four in Gateway, four in Lents, three in Central Eastside and three in Old Town Chinatown.

Since 2006, Prosper Portland has awarded more than \$8 million to more than 150 community livability projects across multiple urban renewal areas. The Community Livability Grants prioritize projects that improve access to jobs and workforce development services, support wealth creation opportunities for small business owners, honor and enhance each neighborhood's cultural diversity and history, deliver a community asset tailored to the community, and advance the goals of each neighborhood's action plan.

"We're very pleased to see growing interest and familiarity with the Community Livability Grant program as a vital tool to help organizations fulfill neighborhood action plans and better serve diverse populations throughout the city," said Kimberly Branam, executive director of Prosper Portland.

The projects on the list honor local culture and history, support expansion of workforce service facilities and improve community centers and services.

Grant recipients

The Interstate Corridor URA identified seven projects its funding will go toward: rebuilding the Allen Temple Church's fellowship hall for more ADA-friendly community space (\$280,000), a kitchen upgrade to Billy Webb Elks Lodge (\$129,000), acoustic improvements for the BRAVO Youth Orchestras (\$16,000), expanding a pre-apprenticeship workforce development training facility for Constructing Hope (\$300,000), roof replacements for the New Hope Missionary Baptist Church (\$42,500), storefront improvements to Portland Miracle Revival Church's Restoration Outreach Community Center for its social services (\$38,000) and an interior renovation for the Vancouver Avenue First Baptist Church (\$32,500).

"Over the past three years, Constructing Hope has exceeded expectations by training 173 individuals, then placing and sustaining 119 students from marginalized communities into wealth-building construction apprenticeship careers. Grant proceeds will be used to expand our facilities; allowing us to double that number," said Pat Daniels, executive director of Constructing Hope. "How honored we are to partner with Prosper Portland in pursuit of our joint mission to support the prosperity of all Portlanders."

The Gateway Regional Center URA has four winning projects: building a new community kitchen for Our Giving Table (\$25,000 and a conditional \$121,240), installing a trash can, bench and info kiosk by Friends of Floyd Light Park (\$8,500 conditionally), placemaking and transit center placemaking amenities at in South Gateway (conditional awards of \$69,000 and \$8,500) and facade upgrades of the MakerSpace and warehouse at the Dancing Tree Family Center to Impact NW (\$25,000).

"We're very excited about the grant and the improvements it will facilitate, allowing us to create a safer and clearer environment in providing youth career readiness training," said Aaron Bouchane, career opportunities, readiness and exploration program manager for Impact NW.

The Central Eastside URA has three projects in the mix: \$32,000 is going to CODA, Inc to construct a dedicated community training room, \$50,000 to Miracle Theater Group for

improvements to its main gathering and event space, and \$35,000 to New Expressive Works for capital improvements that include ADA accessibility.

As for the Lents Town Center URA, there are four: \$75,000 to the Kelly School PTA to expand its community grounds and add playground and picnic items, \$125,000 to Leach Garden Friends for upper garden improvements including an aerial tree walk, \$125,000 to REAP for its new headquarters renovation, and \$40,000 to the Wisdom of Elders to expand its workforce training in environmental assessment and habitat restoration.

Lastly, Old Town Chinatown has three: \$50,000 to the Lan Su Chinese Garden to complete ADA upgrades, \$100,000 to the Old Town Chinatown Community Association for the second phase of restoring the Chinatown Gate, and \$50,000 to the Portland Chinatown History Foundation to support development of the Portland Chinatown History Museum.

Successful grant applicants are required to make a good faith effort to contract with Oregon-certified minority-owned, woman-owned, disadvantaged or emerging small businesses (M/W/D/ESBs). Prosper Portland staff will work with this year's awardees to identify potential M/W/D/ESB contractors for project work.

Willamette Week

Portland Soccer Baron Merritt Paulson Got Sideways With His Neighbors—Over Some Rocks

*By Nigel Jaquiss
November 29, 2017*

The government got involved.

Portland Thorns and Timbers owner Merritt Paulson is getting off to a rocky start with his new neighbors. And his landscaping choices made them so mad, they called in government regulators.

In February, Paulson bought a new \$3.4 million home in the Dunthorpe neighborhood in unincorporated Multnomah County. In September, the county received two complaints—one anonymous and one from a lawyer named Michael Gottlieb—about Paulson placing "rocks and boulders" in the public right of way adjacent to his new home.

Merritt Paulson Merritt Paulson

That makes it the county's business, because the stones are in the right of way. A county inspector documented code violations and sent Paulson an Oct. 17 letter demanding he remove the rocks and boulders by Nov. 10 or face fines of up to \$3,500 a day.

At press time, some of the rocks remained, but Paulson and county officials say he's complying and received an extension.

"I am working with the county," Paulson writes in an email. "I may have to get a permit. Simple case of damage to my property by parked cars—and the decorative rocks are small."

Paulson is doing a better job making friends at City Hall—where approval of a \$55 million Providence Park stadium expansion sailed through this summer—and with Portland Thorns fans: He picked up the bar tab of Thorns die-hards who traveled to Orlando, Fla., last month to watch their team win its second National Women's Soccer League Championship.

The Portland Mercury

The City Just Approved Its Largest Affordable Housing Project in 50 Years

By Dirk VanderHart

November 29, 2017

But Not Without Concerns About High Costs and Homelessness

Portland City Council today approved the largest affordable housing project the city's seen in five decades, a 12-story, 240-unit development in one of Portland's most desirable areas. It was far more tense than you would expect.

Once it's finished in 2019, the project in question—known for now as Block 45 and located at Northeast Grand and Hassalo—will inject hundreds of affordable units into the booming Lloyd District, near streetcar and MAX lines and a short distance from the city center. But as council considered an ordinance [PDF] approving \$5.1 million in urban renewal money (and dedicating land) to leverage tens of millions of dollars from other sources, two questions served as sticking points: Is Block 45's price tag too high, and will it run contrary to the city's brand-new emphasis on housing homeless residents?

Most persistent on the latter question was Commissioner Nick Fish, who in recent months has pushed for a renewed focus on so-called "supportive housing." That model combines extremely affordable rents with intensive social services, and is aimed at getting chronically homeless individuals off the street. In a vote last month, City Council ordered up a study on strategies for creating 2,000 units of this housing over the next decade, an effort that could cost \$300 million.

The council commitment to supportive housing came very late in the process for the Block 45 development, which was awarded to local housing authority Home Forward in early 2016, and which is already designed. The development includes plans for setting aside 20 units for domestic violence survivors at deeply affordable rates (set at 30 percent or less of the area's median family income), but it hasn't reserved supportive units for the homeless. That bugged Fish, who threatened to vote against the project.

"This is the first project out of the box and we're already experiencing the problem I anticipated: We're going to lose an opportunity because of some other compelling use," Fish said. "We now have a policy saying we're going to hit 200 [supportive units] a year and we're going to miss an opportunity in this project to hit one."

Mayor Ted Wheeler, who oversees the Portland Housing Bureau, suggested Fish might be getting ahead of himself.

"The [supportive housing] strategy is being ironed out as we speak, per the resolution we all supported," Wheeler said. "I've heard nothing to suggest this project cannot be included."

Still Fish succeeded in winning an amendment to council's approval of the project, which orders housing officials to return to council with a proposal for including supportive housing in the development. Funding would have to be identified for such housing.

The next question came from Commissioner Chloe Eudaly, who wondered at the project's \$74 million price tag. Even removing price of building the ground-floor commercial spaces Block 45 anticipates, the cost reaches more than \$281,600 per unit. That's well above the roughly

\$200,000 per unit mulled under Portland's recently passed housing bond, and far higher than the \$100,000 per unit some housing developers have said they can build for (though project-to-project comparisons are fraught because of the many differences that can arise).

"I think the number one question is going to be the price tag," Eudaly said, asking "why the per-unit cost appears to be so much higher than what were anticipating for our housing bond units."

Wheeler, too, had alluded to potential backlash over the price tag. Earlier in the hearing he made a point of noting that the city's \$5.1 million investment would be leveraged more than 10 times by other funding sources in the project.

"I want to keep that front and center—10 to 1 leverage," Wheeler said. "I know there is a lot of back of the envelope scribbling going on as a result of the total cost you mentioned in exchange for permanent affordability."

The housing bureau and Home Forward defended the costs. They say the price tag is reasonable for a well-built, environmentally conscious building in the heart of the city.

"At a flagship location. on streetcar, on a site worth \$3 million—We think for the next 100 years that's a good investment and we're willing to standby those numbers," housing bureau Director Kurt Creager said.

Fish went even further. In other public projects, "I never remember someone getting up and saying: 'I object to quality. I object to planning for the long term. Can't we go cheap? Can't we find some way to make it look crummy?'" Fish said. "Why is it that when we build something that houses low-income people, all of the sudden cost becomes the big issue?"

Now that city funding is approved (along with \$500,000 from Multnomah County), the Block 45 project will rush to close. Home Forward needs to lock in terms by December 31 to get a favorable price for tax credits it plans to sell to fund a sizable portion of the project. There's also a more-fundamental concern. As we reported this week, congressional Republicans have signaled a willingness to wipe out some of the tax credits Block 45 and other projects are relying on. As a result, Home Forward and other housing providers around the country are scrambling to finalize deals before potential chaos strikes.

Once built, the Block 45 project will feature 240 units priced at or below 60 percent of the area's median family income.

The Portland Business Journal

Old Town Business Group Backs a Brewer of its Own in Battle with Portland

*By Andy Giegerich
November 30, 2017*

A group of Old Town businesses has blasted the city as a battle over the use a brewer's logo continues .

The Old Town Hospitality Group, which counts 25-plus restaurants and taverns, said in a letter to Portland Mayor Ted Wheeler that the city is "wasting taxpayer money." The issue relates to a trademark held by Old Town Brewing on the "leaping deer" logo, which adorns the "Portland Oregon" sign above the Burnside Bridge.

Whereas the city owns the rights to use the logo in certain ways, Old Town Brewing holds the rights to use it regarding beer, wine and alcohol.

Old Town Brewing maintains that the city wants to license the trademarked logo to Anheuser-Busch InBev, a direct — and massive — competitor to the craft brewer.

The Old Town Hospitality Group called on the city "to stop filing trademark application after trademark application for an image that the U.S. Patent and Trademark Office has repeatedly determined is confusing. Tell the city's attorneys that it is wrong and an abuse of power to attempt to bury Old Town Pizza & Brewing in legal fees."

The local brewer had secured the trademark of the leaping deer for beer and alcohol years ago, the group added. What's more, the Patent Office granted Old Town's leaping deer logo "incontestable" status, which is the highest level of protection," the Hospitality Group maintains.

"Nonetheless, City of Portland staff and attorneys have scoffed at Old Town's legal rights, rejected Old Town's good faith efforts to negotiate a mutually beneficial settlement and have admitted to engaging in backroom negotiations with big beer and alcohol companies to license the leaping deer for beer and alcohol," the group wrote in a Nov. 29 letter to Wheeler.

"The city is favoring multinational conglomerates, including Anheuser-Busch Inbev, the biggest industrial beer conglomerate in the world, over the interests of a locally owned small business. This is wrong and it must stop! Let's focus real priorities in this city and the Old Town neighborhood."

Wheeler's office didn't immediately respond to a Wednesday email seeking comments. Michael Cox, Wheeler's spokesman, has said the mayor wants to work with Old Town Brewing to resolve the issue.

City Set to Kick off \$195M Reconstruction of the Portland Building, Shroud Portlandia Statue

*By Jon Bell
November 29, 2017*

Folks looking to get some business done with the city of Portland have been met with closed doors since earlier this fall — at least at the city's Portland Building.

That's because all 1,400 or so employees who work in the building have been temporarily relocated to make way for a \$195 million reconstruction project that's about to kick off in earnest. (The price tag includes contingency funds as well as the cost of relocating employees.) The various city bureaus have been moved to other downtown buildings, including the Congress Center at 1001 S.W. 4th, Columbia Square at 111 S.W. Columbia St. and 400 S.W. 6th Ave.

Though initial interior demolition work has already begun, the city is hosting an official groundbreaking for the project at 10 a.m Monday, December 4, at the Portland Building, which sits at 1120 S.W. 5th Ave. Construction is expected to wrap up by the end of 2020.

The project will completely rebuild the interior of the building to address longtime issues with water penetration, air infiltration, interior damage, mold and other problems. Crew will also seismically upgrade the building, replace mechanical, electrical and plumbing systems, upgrade information technology infrastructure and tend to other issues.

As for the iconic Portlandia statue perched on the Portland Building's west face, it is to be covered in protective wrap later this winter for the duration of the project. Downtown regulars in need of a Portlandia fix will be able to fill that void by taking a glimpse west across the street to the Standard Plaza building, home to Standard Insurance Company. Through a second-floor window, they'll see a three-foot scale model of Portlandia, which artist Raymond Kaskey created before making the full-scale statue.

The smaller statue had been housed in the Portland Building but was moved for the reconstruction project. Its new, temporary home came about as a result of a partnership between The Standard and the Regional Arts & Culture Council.

In addition to the smaller statue, other Portlandia related items are also on display in The Standard, including the full-scale mold that Kaskey used to help create Portlandia's face. The displays are open to the public.

OPB

Should An Elected Official Expect Privacy On Facebook?

By OPB Staff

November 29, 2017

We've all talked a lot in the past few years about how politicians, including President Donald Trump, are increasingly using social media to bypass traditional news media.

In Portland, City Commissioner Chloe Eudaly is under fire for how she's using her personal Facebook page. It's a case that raises big questions about exactly what sort of privacy public officials should expect on social media and what kind of access their constituents should have to their online activities.

OPB reporter Amelia Templeton talked to OPB "All Things Considered" host John Notarianni on Wednesday about Eudaly's posts and the ensuing controversy. To listen to the full conversation, use the audio player at the top of the story. Here are the highlights:

Live By Social Media, Die By Social Media?

To an extent, Eudaly is on the Portland City Council because of her skillful use of nontraditional methods to reach potential voters – especially younger ones.

She was a dark horse when she entered the race for then-Commissioner Steve Novick's seat in 2016, a small business owner and single mom whose campaign was all about renter rights. Last November, on the night she upset Novick, campaign manager Marshall Runkel told OPB that there were three big reasons for her win.

First on his list? "The incredible power of social media."

Governing Is Very Different Than Campaigning

Part of Eudaly's appeal as a candidate was that she came across as authentic and outspoken, a voice of people outside the halls of power. Now she's an elected official earning more than \$100,000 a year.

The tone of her Facebook posts hasn't necessarily changed, but the reaction to them has.

The current controversy centers around posts Eudaly made recently in response to an Oregonian/OregonLive story detailing plans to increase the communications staff at one of her bureaus. In a post complaining about the story, Eudaly personally insulted the Oregonian/OregonLive reporter.

Another journalist, freelancer Mike Bivins, posted that and other screenshots from Eudaly's personal Facebook account on Twitter.

That began a conversation among journalists and citizen-advocates about other things Eudaly had written on Facebook, including posts in which she commented, and sometimes complained, about her city work. The posts included one in which Eudaly identified a frequent City Council speaker by name and made disparaging comments about her.

It's important to note that Eudaly is Facebook friends with a number of local reporters, including journalists at OPB. Following public officials and candidates for office on social media has become a standard part of reporting. And Eudaly has either accepted or initiated all those Facebook relationships. She controls who sees her Facebook posts — and who can't see them.

Is There A Legal Precedent For What's Public On Social Media?

The short answer: This is a very new area of study for legal experts but, as a general rule, elected officials enter shaky territory when they use personal accounts to communicate with constituents about government business.

Enrique Armijo, an associate professor at Elon University School of Law in North Carolina, said he thinks the law is pretty clear: Facebook is analogous to email. If a public official is using a personal account to communicate about work with constituents, that's a public record and thus anyone should be able to view it.

"I don't think the fact that this is a virtual space rather than an actual space should really change the analysis, which is focused correctly on whether or not a person is a public official and whether or not they're discussing public business," Armijo said.

In other words: Cat videos are private, complaints about City Council coverage are likely not.

Eudaly Might Change Her Facebook Habits

The commissioner is meeting with the city attorney Thursday and plans to follow whatever legal advice she receives, her office said.

In the interim, she's said on Facebook that she will not post anything that could constitute city business.