

The Oregonian

Portland's Mad at Uber Again, This Time Over Concealed Data Breach

*By Elliot Njus
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Portland officials have demanded Uber turn over information about a massive 2016 data breach the company failed to disclose until last month.

The ride-hailing company on Nov. 21 disclosed a 2016 data breach in which hackers accessed files that included information on its drivers and riders. It also admitted it had kept the incursion under wraps for more than a year, rather than alerting affected customers, regulators or law enforcement.

In a letter sent to Uber's CEO on Friday, Portland Commissioner Dan Saltzman said Uber had violated the city's code by withholding information on the breach, and he demanded more information on how many Uber drivers and customers had been affected in the city.

Saltzman, who oversees the city's transportation department, suggested the failure to notify the city of the breach might be a violation of city code, which requires companies like Uber to protect personal data and notify the city in the event of a breach.

And although Uber has been in hot water with the city before -- for operating illegally in Portland before it was sanctioned, and later when it was disclosed that it used software at that time to avoid city regulators -- it has maintained that it's abided by the city code since it was amended to legalize Uber's business.

"Uber's past actions in the City of Portland have been severely problematic," Saltzman wrote in the letter to Dara Khosrowshahi, Uber's chief executive. "To learn now that Uber deliberately concealed a massive data breach involving both customer and driver information for a period of over a year adds to the already strained relationship the City has with Uber."

Saltzman demanded that Uber turn over more information about the breach, including the number of drivers and riders affected, its policy on reporting security breaches and assurances that it had not violated any other city regulations or state laws since January 2016, when code legalizing Uber's business model took effect.

An Uber spokesman declined to provide that information to The Oregonian/OregonLive, instead providing a statement: "We take this matter very seriously and we are happy to answer any questions regulators may have. We are committed to changing the way we do business, putting integrity at the core of every decision we make, and working hard to re-gain the trust of consumers."

The company faces at least three potential class-action suits -- including in Oregon -- and investigations by New York, Missouri, Massachusetts, Connecticut and Illinois.

Uber reported to the Oregon Department of Justice that 1,300 Oregon driver's license numbers -- presumably belonging to Uber drivers -- had been accessed in the breach. Uber has contacted drivers directly about the breach and offered a year of credit-monitoring service through the credit bureau Experian.

The Justice Department said it is participating in a multi-state investigation involving the Uber breach.

It's unclear how many Uber riders in Oregon were affected by the breach.

Uber said 57 million users worldwide might have had information exposed, including names, email addresses and mobile phone numbers. It said riders' trip location history, credit card numbers, bank account numbers, Social Security numbers or dates of birth don't appear to have been accessed.

Portland already sparred with Uber this year over the company's use of the "Greyball" software to avoid regulators in 2014. The city closed the investigation after finding no wrongdoing since that time.

The Portland Tribune

Portland Might Toll Roads, Bridges

By Jim Redden

December 5, 2017

City Council directs Portland Bureau of Transportation to study local 'congestion pricing' alternatives.

Portland could impose tolls on the bridges across the Willamette River and such heavily used roads in the city as 82nd Avenue and Martin Luther King Jr. Boulevard.

The City Council unanimously directed the Portland Bureau of Transportation to study the use of such tolls to reduce congestion and generate funds for transportation projects last Wednesday. PBOT will work with the Bureau of Planning and Sustainability on the study. The local tolls would be in addition to those the council said should be imposed on the portions of Interstate 5 and I-205 in Portland.

During the hearing, Mayor Ted Wheeler and Transportation Commission Dan Saltzman made it clear they support such tolls. The concept is very controversial, however. Republican Washington state U.S. Rep. Jaime Herrera has introduced legislation in Congress to block the Oregon freeway tolls. Portland-area newspapers are receiving letters and emails opposed to them, including the Portland Tribune.

When such tolls increase during peak travel times, they are called "congestion pricing" or "value pricing." The strategy, which tends to reduce traffic when it's more expensive to drive during rush hours, has been adopted in a number of cities, including London, Stockholm, New York and Seattle.

PBOT Director Leah Treat testified the region must invest more in transit for congestion pricing to work, however.

"Congestion pricing and transit options must go hand in hand," Treat said.

The 2017 Oregon Legislature directed the Oregon Department of Transportation to study freeway tolls as part of the statewide \$5.3 billion transportation funding package it approved. The council also directed PBOT to study ways to reduce the impact of tolls on lower-income residents. PBOT was directed to report the results of its study back to the council within a year.

According to the resolution approved by the council, traffic congestion grew four times faster than the population in recent years, hurting the economy and threatening council-approved goals to reduce greenhouse gas emissions.

Much of the testimony before the council concerned ODOT plans to rebuild the I-5 and I-84 interchanges in the Rose Quarter to reduce congestion and improve safety. The interchanges often are backed up 12 hours a day, ODOT says. Saltzman said the state should try tolling before it moves forward with the freeway expansions.

"Let me be clear, in my opinion, congestion pricing should happen in these corridors before any shovels break ground," Saltzman said.

A variety of transportation and environmental organizations testified in support of the resolution, including the Port of Portland, Portland Walks and the Oregon Environmental Council. Opposition came from members of the group No More Freeway Expansion, who said the council needs to more forcefully oppose the state's Rose Quarter plan.

Portland Nightclub Sprinkler Ordinance Upheld

By Jim Redden

December 1, 2017

An Oregon administrative law judge rejects a state agency's efforts to repeal the safety requirement.

An Oregon administrative law judge has upheld Portland's authority to require sprinkler systems in nightclubs.

The ruling was issued Alison Greene Webster, the senior administrative law judge in the state Office of Administrative Hearings, on Thursday.

The Nov. 30 ruling dismisses a challenge to Portland's authority by the director of the Department of Consumer and Business Services, through the department's Building Codes Division. The director threatened to fine Portland \$20,000 if the City Council did not repeal the requirement.

Webster ruled the director lacks the legal authority to impose such a fine.

The council first adopted the requirement as an ordinance on Sept. 11, 2013. It was the first request Commissioner Dan Saltzman made of the council after being assigned Portland Fire & Rescue earlier in the year.

"I feel great," Saltzman says of the ruling. "I feel vindicated. The requirement makes our young people safer. I hope it encourages other cities to do the same thing."

The vote followed an earlier fire in a nightclub in Brazil that killed 241 people. The ordinance lists other nightclub fires in the past where many people died.

"Worldwide experience has shown that a substantial and terrible loss of life occurs when fires break out in nightclubs not protected with an automatic fire sprinkler system," the ordinance said.

The city eventually determined that 14 nightclubs were required to install sprinklers under the ordinance. All of them have done so.

A handful of Portland nightclub owners sued the city in September of this year to block enforcement of the ordinance, saying that it improperly imposed on their businesses.

In their lawsuit, building owners Philip Ragaway, the J.A. Atwood Corp., Spot Properties, JSP Investments, Daniel Lenzen, Glitz LLC and Divine Comedy LLC asked a Multnomah County circuit judge to require the city to refund fees and fines each of the building owners has paid.

The lawsuit has not yet been set for trial. The city does not comment on pending litigation.

The ruling can be appealed to the Oregon Court of appeals. You can read the it here.

The Daily Journal of Commerce

Multnomah County Pushes Forward on Homeless Shelter

By Chuck Slothower

December 1, 2017

Multnomah County and city of Portland officials are eyeing a long-vacant warehouse near the Steel Bridge as a potential site for a 200-bed permanent homeless shelter.

Converting the warehouse, at 320 N.W. Hoyt St., into a shelter could exacerbate tensions with property owners and business operators in the Old Town Chinatown neighborhood, but it also would offer public officials a long-term alternative to the temporary-shelter hopscotch they've engaged in recently.

"We haven't had a big permanent shelter in the downtown core, and we still see that need," said Denis Theriault, spokesman for Multnomah County and the Joint Office of Homeless Services.

Negotiations with the property owner, Alco Investment Co. of Seattle, are under way, Theriault said. The Joint Office is seeking a long-term lease for the shelter.

"There isn't a lease yet," he said.

The Joint Office has applied for an early assistance meeting with the Bureau of Development Services to determine whether the property could host a shelter.

The warehouse, built in 1925, needs significant renovations before it can function as a shelter, Theriault said. Carleton Hart Architecture and project management consultant Shiels Oblatz Johnsen are at work on the project. Transition Projects, a Portland nonprofit, would operate the shelter.

Some neighbors are fighting the drive to establish another center for homeless service in Old Town Chinatown. The Old Town Chinatown Community Association has held public forums on the topic, and met with Mayor Ted Wheeler and Multnomah County Chairwoman Deborah Kafoury.

"It's just not the right time to add any additional social services to the neighborhood," said Helen Ying, chairwoman of the neighborhood association.

The group has sent a letter to Wheeler and Kafoury protesting the proposal.

Guardian Real Estate Services President Tom Brenneke said adding a shelter would not conform to a years-old agreement with the neighborhood that there would be no net gain in shelter beds. Guardian owns two properties nearby – Block 33 and the Tuck Lung property.

"I am opposed to it," Brenneke said. "The area's overburdened with that type of social service. We already have a significant facility in Bud Clark Commons, and adding 200 more beds doesn't seem to be in keeping with the agreement."

Therriault said the shelter could make a positive contribution to the neighborhood.

“We understand there are livability concerns in Old Town Chinatown,” he said. “This shelter is a way to help.”

Public officials continue to receive complaints of homeless individuals lining up to wait for a bed in Portland’s few available shelters. Part of the strategy to address those complaints is to offer a 24-hour, low-barrier shelter with in-house services, Therriault said.

The Joint Office is evaluating the possibility of closing other facilities in Old Town Chinatown if and when the Hoyt Street shelter opens to lessen the burden on the neighborhood.

Wheeler supports the Joint Office’s strategy, spokesman Michael Cox said.

A large shelter would also lessen the city’s and county’s reliance on short-term, temporary shelters hosted by developers. In recent winters, the Menashes, Malsins and others have agreed to host short-term shelters.

The Portland Business Alliance supports using the Hoyt Street site, president and CEO Sandra McDonough said.

Neighbors have legitimate livability concerns, she said, but those are being addressed by measures such as increased police patrols on foot.

“There’s not a lot of sites,” McDonough said. “So this represents a good, long-term site that will work.”