

The Oregonian

Ted Wheeler Pushes Debt Financing for \$600 Million in City Fixes by 2040

*By Gordon R. Friedman
March 28, 2018*

As a former two-term state treasurer, Portland Mayor Ted Wheeler knows the ins-and-outs of government financing.

Acknowledging that fact, Wheeler has harnessed an inventive strategy to turn city coffers into something of a credit card to pay for long neglected fixes to Portland's streets, bridges and parks. He will likely be out of city elected office when the bills come due.

Citing an enormous need to fix Portland's deteriorating streets, parks and other infrastructure, the City Council on Wednesday approved Wheeler's plan to complete seven long put-off maintenance projects, with a cost of \$50 million.

The improvements to community centers, streets and sidewalks are the first in a laundry list of upgrades Wheeler has planned by 2040 with a \$600 million price tag under a program he's dubbed Build Portland.

Portland City Council approves seven Build Portland projects:

- \$15 million Mt. Scott Community Center rehabilitation
- \$10.5 million to make sidewalks compliant with the Americans with Disabilities Act
- \$10 million for improvements to the outer Stark corridor
- \$4 million for Lents Town Center improvements
- \$3.5 million to rebuild traffic signals well past their working lifespan
- \$3 million for improvements on North Lombard Street
- \$3 million to replace a bridge spanning Northeast 42nd Avenue

The projects are to be paid via a strategy as inventive as it is politically risky: taking on debt to be repaid with money the city does not yet have.

Wheeler wants to pay for his big-ticket improvements by tapping into money that is currently restricted with various urban renewal districts. Those districts, created years ago by the City Council, invest money from property taxes into projects within specific geographic boundaries.

But several of those urban renewal districts are set to expire in coming years. Wheeler now wants to earmark a portion of those property-tax dollars toward maintenance projects, preempting the City Council from making decisions that could be swung by politics of the time. The money could total near \$50 million annually by the 2030s, according to city estimates.

Former Commissioner Steve Novick called Wheeler's plan "ingenious" for making an "unbreakable commitment" to improve city infrastructure.

"Over the years, infrastructure hasn't done very well competing with police, fire, parks operations and housing for the general fund pot," Novick said. "I think what the mayor is doing takes advantage of the fact that people tend not to fight as much about the future as the present."

But expiration of the renewal areas, which have spurred development in choice areas around Portland, is not a given. Commissioners have generally been loath to allow the high-value renewal areas to lapse; for example, they've extended the Central Eastside district several times beyond its original planned lifespan. Some renewal areas were shrunk, however, during the administration of Mayor Charlie Hales.

During Wednesday's council meeting, Wheeler asked the city chief financial officer, Jennifer Cooperman, whether she has concerns.

"I'm concerned that we are issuing the debt prior to the return of the funds that the debt is being financed with," Cooperman said. "There is some risk to the city of our doing that."

Nevertheless, Wheeler's strategy effectively forces future City Council decisions: allow urban renewal districts to expire or find another way to pay the debt obligations. His plan also dedicates a sizable portion of city general funds to the debt payments – money that commissioners might otherwise use for typical big-ticket central services like police, fire and parks, or other pet projects.

Former city Commissioner Mike Lindberg cast Wheeler's plan as risky, but courageous.

"In some ways, we've become the great city we have because we've taken those risks," Lindberg said. "In those ways, it's an admirable proposal."

But the City Council hasn't locked itself into Wheeler's full \$600 million plan just yet. Officials will issue bonds in spurts, over the next two decades, allowing some level of future discretion by city commissioners and an ability to stave off financial shortfalls.

"We are borrowing against future revenue," said Commissioner Nick Fish, "and we don't know what the economy's going to look like a week from now, a month from now." He said a phased-in approach allows the council "to make an investment and then pause and assess where we are and make sure we're on the right track."

The longer city commissioners wait to work through the backlog of delayed maintenance projects, the more expensive they become. And, the city has much to maintain: it owns assets worth more than \$33 billion, according to 2014 estimates.

Commissioner Amanda Fritz successfully lobbied for millions of dollars additional spending on basic infrastructure maintenance in 2015. Wheeler said Wednesday that the city needs an additional \$228 million each year for a decade to pay for needed upgrades – on top of what is already budgeted.

Portland Government Abolishes City Bureau, Prompting Director's Exit

*By Gordon R. Friedman
March 28, 2018*

Portland's chief administrative officer, Tom Rinehart, on Wednesday dissolved the Bureau of Internal Business Services, a little-known bureau responsible for overseeing the city's fleet of 3,150 vehicles, 3.5 million square feet of buildings, printing and mail delivery operations, and risk management.

As part of the restructuring, the bureau's longtime director, Bryant Enge, announced in an email to Portland elected officials and bureau executives that he is leaving city government. It's unclear if Enge will receive a severance package for his exit and, if so, how much it would be worth.

Enge's leaving makes him one of a growing handful of city bureau directors who have left their jobs since Mayor Ted Wheeler took office last January. Eight directors left last year -- three were pushed out -- leaving the city to pay more than \$700,000 in severance.

In an email sent Wednesday to the city's elected officials, Rinehart said that in light of the Portland's record-high revenues, he has encouraged city bureau leaders to "prepare to do business very differently." Employees within the Bureau of Internal Business Services will be shuffled within other branches of city government, Rinehart said.

"The fact that we are now in our fifth straight year at a record level of revenue collection and yet are still facing budget cuts is a clear sign that, as a city, we need to re-think how we are organized, what services we will be able to continue, what processes we change, and what services we stop doing completely," wrote Rinehart, who previously worked as Wheeler's chief of staff.

Last year, the Bureau of Internal Business Services' had a budget of \$103 million and employed 163 people.

The Portland Tribune

Police Union Defends Gang Team

*By Jim Redden
March 28, 2018*

Union chief releases lengthy statement criticizing audits that questioned effectiveness, fairness of anti-gang unit.

The union that represents rank-and-file Portland police officers is pushing back hard against two city audits released Wednesday that questioned the effectiveness and fairness of the Gang Enforcement Team.

In a lengthy statement, Portland Police Association President Daryl Turner challenges the audits' conclusions that the activities of the gang team are not effective and increase tensions between the police and minority communities.

"The 74 pages of the auditor's reports come to a rather simple resolve: we need more data before we can draw the conclusion that GET racially profiles members of our African American community. The auditor insinuates that GET is harming — not helping — our communities, especially the African American community. Yet, the data shows that 80% of known victims of gang shootings in 2016 were African American. There is a clear correlation between GET subject stops and gang shooting locations. It is evident that GET is visibly and proactively policing hot spots to prevent further violence and solve prior crimes involving gang violence. It only makes common sense that GET works proactively in areas where gang violence is on the rise," Turner said.

Turner also praised the GET officers.

"The Gang Enforcement Team has a long track record of conducting extremely dangerous work involving some of the most dangerous armed suspects and using minimal, low levels of force during those interactions," Turner said.

Turner also noted that gang violence is increasing in 2018 compared to last year, with four suspected gang-related shootings in the past two days.

"Just yesterday afternoon, in a densely populated residential area of NE Portland, blocks away from a City park where kids on spring break were playing, and within a densely populated residential area, GET responded to what appears to be a drive-by-shooting where the shooter sprayed multiple rounds at a person sitting in his car. Thankfully, no innocent bystanders were injured and the victim was not wounded or killed," Turner said.

The two audits faulted the Portland Police Bureau for not being able to document that targeted traffic stops that disproportionately effect the African-American community are effective and for potentially mismanaging gang violence investigations. One audit also found GET was maintaining a list of active gang members after the bureau said it has purged its longstanding gang designation list to improve community relations.

To read a previous Portland Tribune story on the issue with links to the audits, go to portlandtribune.com/pt/9-news/390754-282135-auditors-find-faults-with-city-gang-team.

The Portland Mercury

The City Considers Expanding Upwards in Old Town

By Kelly Kenoyer

March 28, 2018

Will a 16-Story Building Help a Crowded Downtown?

Portland City Council is approaching a vote that could alter the makeup of downtown Portland. The question before them: Should a developer be permitted to build a new tower in Old Town that's taller than its surrounding buildings by more than nine stories?

The property in question, Block 33, sits in the heart of Old Town, tucked between Northwest 4th and 5th near the historic "Hung Far Low" sign. The owners of the property, Guardian Real Estate Services, operate 10,000 apartment units throughout the country. They're perhaps best known locally for developing the Yard (or, as it's perhaps better known, the "Death Star"), the severe dark building that looms over the east end of the Burnside Bridge.

The city's current maximum height for any building on that block is 100 feet, or around 10 stories. Guardian's proposal before council would raise that height limit to 160 feet, or 16 stories on the western half of the block and 125 feet (around 12 stories) on the eastern half. Surrounding buildings in the historic district range from one to seven stories.

The location is currently a surface parking lot which has not been developed because the scarcity of parking in Old Town makes it so profitable, according to Guardian. Helen Ying, president of the Old Town Community Association, has advocated for the height change. "Block 33 has been a parking lot for quite some time," she says. "I would love to see something go in that space. It has long been seen as a catalytic development for the neighborhood."

Ying says she's pro-historic preservation, but adds that more housing in Old Town is a matter of public safety: She wants "more people living in the neighborhood to have more feet and eyes and ears on the street."

Some officials think the proposal could go even further. At a March 22 city council meeting, Commissioner Dan Saltzman suggested raising the limit to 200 feet.

Commissioner Amanda Fritz was not on board. "You're going to double the height of the White Stag building and put it next to a historic district," said Fritz at the March meeting. "That just doesn't seem reasonable to me, that that [building] could possibly be in context."

Mayor Ted Wheeler insisted on keeping the 160-foot height cap on the table for discussion.

Dozens of advocates swarmed the council meeting to give testimony about the height change—both in favor and against. "At 125 feet, Block 33 will overshadow historic buildings. At 160 feet, it will swallow them whole," said Katelyn Weber of Restore Oregon, a non-profit devoted to historic preservation.

Jackie Peterson, executive director of the Portland Chinatown History Foundation, argued that 160 feet would be "injurious" to the Chinatown historic district, which only takes up 10 blocks. "It'll quadruple the value of the property, and we have been promised nothing," she said. "Please, save this district."

In an interview with the Mercury, Peterson emphasized the importance of the historic district where the parking lot sits. "Portland Chinatown is the second oldest in the country," she says. "This is what remains of what was always Portland's multiethnic center."

Peterson says that historic districts typically recommend heights no higher than 75 feet because sight lines are important to preserving "the fabric of a neighborhood." She and other advocates worry that a tall building in the district could threaten the neighborhood's historic designation—a label given to them by the National Register of Historic Places.

The developers, promising more market-value housing, have the backing of the neighborhood association. Guardian Real Estate spokesperson John McIsaac tells the Mercury the development will bring 324 apartments to the area, as well as parking, office space, and ground-floor retail. While plans for the building have yet to be made public, McIsaac says it will have a "modern" look. He says those opposed to the height changes "want everything to look like the old buildings. But what they neglect to remember is that Chinatown moved out to 82nd. It's not there anymore."

As of now, it's hard to predict how city council will vote. The city's Historic Landmarks Commission, which advises council on matters of historical importance, voted against the proposed changes to Block 33 in Old Town on March 12. Marshall Runkel, chief of staff for Commissioner Chloe Eudaly, says, "There's concern that we could lose the historic designation of that area with more nonconforming uses, or uses that don't reflect the historic nature of that area." But he adds that Eudaly hasn't made up her mind. "We're in the listening- to-the-experts, listening-to-constituents part of the decision-making process."

Commissioner Nick Fish is also undecided, he tells the Mercury. Fish says he hears compelling arguments on both sides—the need to protect the historic district designation versus the need for more housing. "I want to know if they can be harmonized," he says. "This is a close call for me. I'm generally supportive of adding additional housing in downtown."

Fish adds he'll look closely at public testimony before he comes to a decision. "It's the context for this decision," he says. "We're talking about a historic district, and we're trying to balance some guidelines we put in place and the obvious need for new housing."

The council is set to vote on the amendment on April 4 unless they require further discussion.

Multnomah County Grand Juries Keep Violent Officers on the Streets

*By Alex Zielinski
March 28, 2018*

Officer Darrell Shaw's 24 years with the Portland Police Bureau (PPB) have been marred with violence.

In 2005, Shaw and two other police officers shot and killed a homeless man who they say lunged at them with a knife. In 2006, Shaw was accused of slamming an intoxicated woman's head against his patrol car—she was later convicted for spitting on Shaw after he knocked her to the ground. In 2010, Shaw used a Taser on a college student exiting a nightclub, claiming the 21-year-old had interfered with an arrest. In 2011, a former PPB recruit testified that Shaw beat a teenage shoplifter to a bloody pulp for "mouthing off." According to a report by the Portland Tribune, Shaw's violent arrests sent no fewer than eight civilians to the hospital between the fall of 2004 and 2006.

The cycle continued on March 8, when Shaw and Officer Joseph Webber fired their guns at a woman who appeared to be burglarizing a home in Goose Hollow. Only after the officers hit her in the hand and leg did the suspect, Sarah Michelle Brown, return fire with a handgun, missing both officers. Brown spent four days in the hospital recovering from her injuries.

Following the incident, Shaw and Webber were placed on paid administrative leave for two weeks—the amount of time it took a grand jury to decide both officers were right to use deadly force against the 26-year-old woman. The same grand jury indicted Brown on 26 counts of attempted aggravated murder, unlawful use of a weapon, theft, burglary, and reckless endangerment.

According to PPB, Shaw will soon return to patrolling Portland's streets—which shouldn't come as a surprise.

Only once has the city been held responsible for Shaw's behavior—resulting in a \$110,000 payout to the college student who sued the city after Shaw tasered him in 2010. From the public's perspective, it was the city, not Shaw, who was punished for his misconduct.

When cops like Shaw are routinely cleared by a grand jury yet continue to send civilians to the ER, it's difficult not to question the grand jury process.

According to Dan Handelman of Portland Copwatch, the problem lies with the prosecutors who guide the grand jury's decision-making. As in most county courts, prosecutors with the Multnomah County District Attorney's office conduct grand juries behind closed doors, and are solely responsible for providing juries with fair evidence and witness testimony.

Rarely are transcripts from grand jury decisions on cop-involved shootings made public—the only recent instance was in October, when an officer was found justified in his use of force after shooting and critically wounding a burglary suspect. However, four times in that transcript,

Deputy District Attorney Brian Davidson is quoted asking the court reporter to go “off the record” with the jury—leaving gaps in the official record.

In the past, Portland grand juries almost always agree with the district attorney that there’s enough evidence to indict a suspect and take the case to court. Unless that suspect is a cop.

Nearly every time a Portland officer who has shot a civilian faces a grand jury, they walk free. The only exception came in 2013, when Officer Dane Reister was fired for wounding a man after mistakenly firing lethal rounds from a beanbag shotgun. Reister was found dead of apparent suicide two years after his firing—a memory that undoubtedly hangs over a grand jury decision when an officer’s career is on the line.

Handelman says this cop-protecting trend underscores a “clear conflict of interest” between the district attorney’s office and the police.

“The DA needs to work with police every single day to prosecute cases,” he says. “They need to stay on the cops’ good side.” A solution, he says, is getting an outside prosecutor (like a team from the attorney general’s office) involved in both investigating officer shootings and presenting cases to a jury.

“[PPB] will say it’s too complicated,” Handelman adds. “But this is negligence.”

As reported by the Mercury last September, Multnomah County District Attorney Rod Underhill has acknowledged the flaws in the grand jury system, announcing plans to replace closed-door grand juries with more transparent preliminary hearings and public transcripts. [“Local Prosecutors Are About to Scrap Secretive Grand Juries,” News, Sept 20, 2017.] At the time, Underhill said that by the middle of 2018, 80 percent of county felony cases will go straight to preliminary hearings—a major win for advocates of open records.

But there’s one type of felony case that won’t get the same treatment. Cases that involve human victims that appear too “sensitive” for a public stage will still be handled in a secretive grand jury trial—in other words, every case where an officer may have inappropriately used force on a civilian.

The Portland Observer

Videos Promote Pedestrian Safety

March 28, 2018

Aiming to eliminate traffic-related deaths and injury

A series of eight videos highlighting the pedestrian experiences of Portlanders with differing abilities navigating the city are now available to watch online to promote safety and improve the city’s walkability.

The 1-3 minute short films sponsored by the Portland Bureau of Transportation were screened last Tuesday with the filmmakers, subjects, and general public at the University of Oregon’s White Stag Block, downtown.

The videos were made in conjunction with the school’s Multimedia Journalism Master’s students, and included work by Portland Observer reporter Danny Peterson.

Some highlights include a video that follows David Bouchard, a man with blindness, as he navigates the hardships of getting around on foot.

Filmmaker Mary Ann Funk captures in harrowing detail the moment when Bouchard braves crossing the street without a crosswalk in outer east Portland, where traffic lights are sometimes far and few between.

Another story by filmmaker Gordon Klco sees Anjeanette Brown face the challenges of “walking while black” in the northeast Portland neighborhood she grew up in, now radically altered by gentrification.

Another video about birdhouse builder George Mayes highlights how he gets around with the custom bicycle cart that carries his creations.

The videos can be seen on pedpdx.com, the website for Portland’s citywide pedestrian plan called Vision Zero to eliminate traffic-related deaths and injury.

Gang Enforcement Team Faulted

*By Michael Leighton
March 28, 2018*

Audit finds lack of accountability reduces trust

A new city audit finds that the Portland Police Bureau’s Gang Enforcement Team is hindered by a lack of accountability and transparency that reduces community trust.

In two reports issued Wednesday, March 28, City Auditor Mary Hull Caballero says gang enforcement officers carried out traffic stops that disproportionately affected black residents. The stops were too broad and not limited to criminal gang suspects, community members said.

The gang enforcement team also collected and shared information about people’s gang associations, but these practices suffered from lack of accountability and concerned residents, the auditor found.

“We found that the Police Bureau cannot demonstrate that these stops were effective. This was because the Bureau did not require officers to collect certain information and also did not analyze available data,” a summary from the reports said.

Without this data, the Gang Enforcement Team cannot analyze or explain the overrepresentation of African Americans in its stops, Caballero found.

For one practice, designating some people as criminal gang affiliates, the Police Bureau could not show that it complied with its own policy.

The Police Bureau acknowledged the community’s mistrust of suspected gang lists last year and stop compiling them in October. But a second practice, making a list of most active gang members and associates, was still in use at the conclusion of the audit.

If police continue the most active list or other practices of collecting information on people’s gang relationships, we recommend it should adopt a policy and put safeguards in place to protect people’s rights and the accuracy of the information, the audit said.

In her formal response, Portland Police Chief Danielle Outlaw agreed with the recommendations outlined in the reports. She said the Bureau has already made changes to its policies and practices as a result of the audits, but said there’s still room for enhancements.

OPB

Portland Council Approves \$50 Million To Repair Streets, Sidewalks

*By Amelia Templeton
March 28, 2018*

Portland's City Council took the first step Wednesday to approve \$50 million in new spending to repair and update failing infrastructure citywide.

The council approved a list of seven projects to fund, with a majority of the funding dedicated to street and sidewalk repairs.

The biggest awards include \$15 million to fully renovate the Mt. Scott Community Center, \$10.5 million to add curb ramps to sidewalk corners citywide, and \$10 million for paving and safety improvements on Stark Street east of 108th Avenue.

It's the first phase of an initiative Mayor Ted Wheeler has named "Build Portland." He hopes to raise up to \$600 million in investments over the next 20 years to fix Portland's infrastructure.

"In the face of declining federal and state funding, we intend to lead to revitalize our crumbling infrastructure and address long-deferred maintenance," Wheeler said.

A recent financial audit of Portland found that some of the city's assets, in particular the streets and transportation infrastructure, are "losing value faster than the city can make repairs," and threaten the city's long-term financial position.

More than half of Portland's bridges, streets and sidewalks are in poor or fair condition. Many parks, community centers and other pieces of infrastructure are also in disrepair.

The city's bureaus initially proposed 25 high priority deferred maintenance projects for funding.

The city's asset managers ranked the projects based primarily on measures of the risks posed by the aging infrastructure. The top seven projects are receiving funding.

Every year, the city skimps on its maintenance budget to meet other needs, and the damage gets worse and more expensive to fix.

Wheeler has proposed borrowing money to start tackling the maintenance backlog. Next week, the City Council is set to vote on issuing up to \$52 million in tax revenue bonds to finance the first round of Build Portland projects.

The council isn't authorizing any tax increase to finance the bonds.

In the near term, the city will pay interest on the Build Portland bonds using its existing general fund dollars.

Over the next 10 years, the city's general fund is due to get a small windfall of tax dollars as Portland finishes paying off loans it took out to build parks and roads in the Pearl District and several other urban renewal areas.

Some of that windfall will repay the bonds the council issues to fund the first seven Build Portland projects.

By 2023, the city's debt manager estimates that increased tax revenue coming from those expired urban renewal areas will enable the city to start paying down its loans.

“Portlanders have been paying taxes into urban renewal districts to get growth coming for decades, and now it’s time for some of that return to go back into the things that Portlanders expect: paying for the existing infrastructure and making sure that everyone has decent city surfaces,” said Commissioner Amanda Fritz, casting her vote in support of the mayor’s Build Portland resolution.

Wheeler has proposed issuing additional bonds in the future and dedicating more general fund revenue that will return to the city as urban renewal areas expire. He said those efforts would help complete \$600 million in deferred maintenance projects over the next 20 years.

Build Portland is the latest in a series of steps the City Council has taken to try to shore up funding for transportation and infrastructure maintenance.

In January 2015, the council passed a resolution that sets aside 50 percent of one-time general fund resources for deferred maintenance in parks, transportation and emergency management assets.

Voters have also recently approved a parks bond and a new gas tax to raise revenue for street paving and safety projects.

Below is a description of the first seven Build Portland projects approved by the City Council:

Mt. Scott Community Center Rehabilitation: \$15 Million

According to Portland Parks and Recreation, the Mt. Scott Community Center is the only full service community center in Southeast Portland. Some parts of the facility, originally built in the 1920s, have never been updated to meet code, condition or functionality requirements.

Deferred maintenance needs include retrofitting the unreinforced masonry building to meet seismic standards, adding sprinklers and replacing the roof.

ADA-Compliant Ramp Improvements: \$10.5 Million

An estimated 11,000 corners across the city do not have ADA-compliant sidewalk ramps. The request would fund \$1.5 million of ADA-compliant corner ramp improvements citywide each year for seven years.

Outer Stark Corridor Improvements: \$10 Million

Stark is labeled as a “high crash corridor” in need of safety improvements. This project would increase safety and capacity throughout, making signal upgrades and enhancing pedestrian crossings, and paving from 139th Avenue to 162nd Avenue.

Lents Town Center Improvements: \$4 Million

This request serves the eastern half of Lents Town Center and includes improvements such as signals, better sidewalks, paving and bikeways.

Traffic Signal Reconstruction Program: \$3.5 Million

Roughly 40 percent of the city’s traffic signals are in poor or very poor condition. Signal lamps across the city are going out. PBOT estimates it should be spending approximately \$20 million more annually on signals.

Bridge Replacement on NE 42nd Avenue: \$3 Million

The 42nd Avenue bridge is vulnerable to an earthquake and is on a recommended emergency transportation route, a key freight connection and a desired bike route.

North Lombard Main Street: \$3 Million

This request will fund pavement reconstruction, crossings and bus stops on a main street within St. John's Town Center.