

## The Oregonian

# Packed Council Race Could Rattle Portland City Hall

By Gordon Friedman

April 28, 2018

**The six candidates vying to replace Commissioner Dan Saltzman on the Portland City Council aim to bring what they see as much-needed change to city government.**

Inside City Hall, officials say they are bracing for that change, given how the race's two apparent frontrunners could shake up council dynamics. For his part, Mayor Ted Wheeler says he expects city leaders to welcome whoever is eventually elected to the council.

The packed field includes Multnomah County Commissioner Loretta Smith, former state representative Jo Ann Hardesty, mayoral aide Andrea Valderrama, architect Stuart Emmons, neighborhood leader Felicia Williams and perennial candidate Lew Humble.

Smith is the presumed frontrunner since she has relatively high name recognition as a two-term county official and former staffer for U.S. Sen. Ron Wyden, who employed her for more than 20 years. She's also fundraised more than others, having collected \$157,000 this year. She's spent \$162,000, including \$48,000 on advertising.

Hardesty, who served three terms in the Legislature in the 1990s and garnered endorsements this spring from all three Portland newspapers that have weighed in, is viewed as her strongest contender. Hardesty has a slight fundraising edge over Valderrama, with \$75,000 raised to Valderrama's \$71,000.

In a city that has never had a black woman on its city council, it is notable that both front-runners are African American.

On policy, all the candidates say they want to alleviate Portland's housing and homelessness crisis; Emmons, who finished third in a 2016 council race, has said those problems are his singular focus. Smith and Hardesty say they would bring to the council a laser-like focus on equity issues and the problems facing east Portland. Valderrama said she'd focus on graduation rates and tightening gun ownership laws. Williams said she'd hone in on public safety and earthquake readiness.

Yet Smith's record of misdeeds as county commissioner -- an elected office that generally draws little scrutiny or critical press -- is disquieting to some in city government who would have to work with Smith, should she be elected. City council members and their key staffers, as well as top-level bureaucrats, declined to speak on the record about Smith. But several have privately expressed concern over her conduct. Some said bureau leaders have told them they prefer Smith, should she make it onto the council, not become their commissioner-in-charge.

Smith, 53, was the subject of an investigation that concluded she misused county funds, cultivated a working environment where public employees believed they had to work unpaid hours on her campaign and likely launched racially-tinged invective at staffers. Smith has inaccurately maintained that the investigation vindicated her. She also faced a remarkable level of turnover in her office: seven chiefs of staff in seven years.

Jake Weigler, a political strategist with the Smith campaign, said she has support from several high-level city officials. All declined to comment to The Oregonian/OregonLive, citing rules requiring neutrality from city employees.

"She doesn't get good press, but she definitely does expect the highest standards and if you don't deliver on your promises she'll hold you accountable," Willy Myers, vice chairman of Portland's economic development board, said of Smith. Myers added, "I don't think that's hard to work with. I think that's good government."

State Rep. Barbara Smith Warner, D-Portland, said she feels Smith would bring to the city council strong views on racial and economic equity.

"Her lens on every issue, no matter how big or small, is, 'How is this going to impact communities of color and low-income people?'" Smith Warner said. "There's not a lot of other people in public life in general, but in Portland specifically, where that's their primary focus."

Myers and Smith Warner both are spouses to two of Smith's chiefs of staff.

City Hall sources contacted by The Oregonian/OregonLive didn't express the same level of apprehension about Hardesty as they did Smith. But they said Hardesty, 60, has the policy chops and rhetorical skills that can shake up city institutions, which gives some officials heartburn. She has long been a vocal and relentless advocate for criminal justice reform, and change in particular at the Portland Police Bureau. That work has often pitted her against city establishment forces that have been a bulwark against many of her positions.

Hardesty said in a statement to The Oregonian/OregonLive that she has "never been disrespectful to elected officials in public" and has amicable relationships with the mayor and city commissioners.

"My disagreements are focused on outcomes, equity and walking our talk," Hardesty said. "I have found City Hall lacking in these areas because there is a lack of accountability for outcomes."

Commissioner Chloe Eudaly endorsed Hardesty this month, citing her "unwavering support of progressive issues," and helped the candidate launch a fundraiser; the other commissioners are not expected to weigh in on the contest.

In a statement to The Oregonian/OregonLive, Wheeler praised the field's "tremendous set of qualified candidates" and said he expects city leaders "to rally behind the eventual winner" with their full support.

"This election isn't about City Hall insiders. It's about the people," Wheeler said.

The mayor continued, "The voters get to decide who represents them. We have an opportunity during this election to break free from city politics as usual."

That the race is so crowded means it's likely the top two voter-earners in the primary will face off in November. A candidate would have to earn one vote more than 50 percent to win outright next month and avoid a runoff.

"Mathematically speaking, it becomes very difficult for any candidate to get over 50 percent in a field this large," said political consultant Dan Lavey, who is president of Gallatin Public Affairs. Len Bergstein, also a political consultant, said he believes the chance is "very good" of a runoff race. John Horvick, vice president and political director at local nonpartisan polling firm DHM Research, said he assumes a runoff would be between Smith and another candidate.

Smith's campaign spent \$20,000 on polling in early April. Weigler, the Smith campaign operative, declined to share the results.

Primary election ballots have already been mailed to registered voters. They are due May 15.

# Portland Marathon Cancels 2018 Race, Will Dissolve Organization

*By Lizzie Acker  
April 27, 2018*

The Portland Marathon board of directors has canceled the 2018 race and plans to dissolve the 47-year-old Portland Marathon organization, according to an open letter the board sent Friday to The Oregonian/OregonLive.

"There will be no Portland Marathon in 2018," began the letter, attributed to board members Richard Busby, Julian Smith, Andy Ritchie, Jim Schaeffer and Gina McVicker.

The same letter was sent to the City of Portland at 11:30 a.m. Friday.

The move comes more than a week after former Portland Marathon event director Les Smith reached a settlement with the Oregon Department of Justice. Smith was found to have illegally borrowed money from the Portland Marathon and was required to repay \$865,000, of which \$50,000 would go to the Oregon Department of Justice to cover the cost of the investigation.

Mamie Wheeler, Smith's business partner in the Portland Marathon and for-profit company Next Events, remains under investigation. Smith admitted no wrongdoing in the agreement.

In January, Portland city officials had decided to allow the Portland Marathon to proceed with the 2018 event, despite an open investigation into conflicts of interest related to their for-profit and nonprofit businesses as well as the corporate structure of their nonprofit.

The city's decision came against the recommendation of city employees who had struggled to work with Smith and Mamie Wheeler for several years. At the time, plans were already underway to ask for proposals for a replacement marathon in 2018. Mayor Ted Wheeler (no relation to Mamie Wheeler) opted to delay that process and look for a replacement for 2019.

The city was set to accept proposals for a replacement for the beleaguered Portland Marathon. Then, something happened.

In Friday's letter to The Oregonian/OregonLive, members of the new Portland Marathon board, assured the 2,500 people already signed up for the run that they would get a full refund, through the race registration platform, Active.com.

"Our decision was based on a number of factors, including a decline in race registrants for 2018 and the Board's understanding of the City of Portland's desire to move in a different direction," wrote the board.

Last week, however, the city was in negotiations with the Portland Marathon board, which was formed in July of 2017 but was not publicly announced until after the settlement with Smith, to keep the 2018 race alive.

In an April 19 email conversation between Portland Marathon board lawyer Michael Neff and Ted Wheeler spokesperson Michael Cox, Cox wrote, "As we indicated in our meeting, we believe 2018 provides an opportunity: the chance to demonstrate that Portland Marathon has moved beyond recent controversy; a chance to show that Portland Marathon and the City of Portland can work productively together, a chance to prove that the Portland Marathon is indeed a world-class event."

The City of Portland had planned to open up the request for proposals, officially referred to as the RFI or request for information, on Friday, April 20. The Portland Marathon board felt that opening up that request, would be "a clear vote of no-confidence to the Board."

"So, even if the Mayor Wheeler and his city administration are not ready to mothball the RFI concept," Neff responded to Cox, "a reasonable delay would be helpful toward allowing the Board to hire the type of talent needed for the race director position and to have the necessary initial conversations with Portland's running community to identify prospective new Board members."

Cox responded that the city would delay the request for information until Friday, April 27.

In a phone interview Friday, Cox confirmed that the request was scheduled to go out sometime during the day. It was posted to the City of Portland's website at around 4:30 p.m.

Cox said that the city had hoped to work with the Portland Marathon in 2018 but that they had also made it clear "that we are planning for an open competitive process" for 2019 and beyond.

Now, the city will focus most of their energy on that effort, Cox said. Still, "It's also up to us to see if we can find a solution for 2018," he added.

He said the city will now begin to look into the feasibility of 2018 marathon without the Portland Marathon organization.

"That's a heavy lift," he added, "and it's still undetermined what our options are."

In Friday's open letter, the Portland Marathon board wrote, "Our decision was based on a number of factors, including a decline in race registrants for 2018 and the Board's understanding of the City of Portland's desire to move in a different direction."

"Upon taking oversight responsibility, we made diligent efforts to move the Portland Marathon organization in a positive direction and resolve past challenges, the state of the organization has proved too fragile," the letter continued. "We concluded that the only responsible choice is to dissolve the organization and distribute the remaining funds to charitable organizations."

In an email Friday, Neff said the board will decide where exactly to distribute the remaining funds, including what is left from the money paid by Smith, after consulting with the Oregon Department of Justice.

You can read the entire letter [here](#).

## **The Portland Tribune**

### **Wheeler Takes all City Bureaus During Budget Process**

*By Jim Redden*

*April 27, 2018*

Mayor will reassign city bureaus after the new budget is approved, but not necessarily to the commissioners who had them.

Mayor Ted Wheeler reassigned all city bureaus to himself Friday as part of the annual budgeting process.

"This is an essential part of the budget process. I look forward to continuing to work collaboratively to ensure bureau operations run smoothly," Wheeler said in a prepared statement.

Wheeler did the same thing after first taking office in January 2017. At the time, Wheeler said he wanted to overcome the practice of council members to lobby for the bureaus assigned to them during the budget-writing process. It was not immediately clear what difference that made.

Wheeler will keep all bureaus until the City Council considers his proposed budget over the next few months. The budget approved by the council will take effect on July 1. Wheeler will reassign the bureaus some time after council approval. He does not have to reassign the bureaus to the commissioners who previously had them.

You can read Wheeler's order to the City Auditor's Office [here](#).

## **Housing Report Documents Woes, Gains**

*April 29, 2018*

The Portland City Council is scheduled to accept the annual assessment on Thursday.

Average Black, Latino, Native American and single mother households cannot afford to live anywhere in Portland, according to the annual State of Housing report the City Council is scheduled to accept on Thursday.

The report, submitted by the Portland Housing Bureau, also found the Black population in Portland declined between 2000 and 2015, even though 83,000 people moved to the city.

And the report found that 4.2 percent of the population was homeless in 2017, with nearly 50 percent of the unsheltered population in downtown, Old Town and Southeast Portland.

In addition, according to the report, "A homebuyer looking to buy a home below \$300,000 would only have six neighborhoods to search in, four of which are located in East Portland. Increases in home prices and rents in many East Portland neighborhoods continue to raise serious concerns over potential involuntary economic displacement, as well as housing access and stability."

Despite such bad news, the report also found that the rate of rate increases slowed in 2017 and 4,419 units of new housing were created, mostly in apartments. The city more than doubled the amount of affordable units it created last year, and 700 additional ones are currently under construction.

"Housing production and permitting levels in the private market are higher than any point in the last 15 years — yet rents in too many of our great neighborhoods remain out of reach for a Portland family making the median income. While the steep rent increases of the last several years began to soften in 2017, Portland families are still increasingly burdened by rising rents in larger-size housing units. Disparities in income and access to both homes to rent and homeownership persist for our communities of color," Mayor Ted Wheeler says in his foreword to the report.

The council is scheduled to accept the report at 2 p.m. on May 3. You can read the full report at <https://www.portlandoregon.gov/phb/article/681253>.

**Willamette Week**

# Portland Uber and Lyft Drivers Plan Rally At City Hall To Demand Better Working Conditions

*By Elise Herron  
April 29, 2018*

**The coalition wants a new board dedicated to protecting Lyft and Uber drivers.**

Disgruntled Portland-area Lyft and Uber drivers, backed by a powerful labor union, are planning a rally outside City Hall on Monday to air their frustrations over low pay, secrecy and gaps in insurance coverage at ride-hailing companies operating here.

It's the latest volley in a longstanding war between the Oregon AFL-CIO and the ride-hailing giants who invaded Portland in 2014 in a major blow to the taxi industry. The AFL-CIO slowed Uber's entry into Portland for more than a year—before the company steamrolled labor and regulators by operating without permits.

The new effort, called The Transportation Fairness campaign, seeks to convince city commissioners to create a new board dedicated to protecting Lyft and Uber drivers.

A spokesperson for Oregon AFL-CIO, Russell Sanders, says the group has been in contact with "several hundred drivers."

The complaints those drivers have, Sanders says, include long wait times to pick up passengers, driving long distances for short rides, getting negative ratings for not accepting rides, incurring cancellation fees, paying high insurance deductibles and only being insured while passengers are in the car.

An Uber spokesman could not immediately be reached for comment.

Sanders expects attendance at the rally to be small—around 50 people—but ultimately, he hopes the demonstration will put driver's complaints in clearer perspective.

"By doing so," he says, "we will highlight why the City of Portland should establish a new board where drivers and impacted community members can sit down with representatives from [Lyft and Uber] to find solutions."

Rally speakers will include drivers, City Commissioner Nick Fish—a longtime Uber critic— and the Oregon AFL-CIO president, Tom Chamberlain.

The rally also comes two weeks after Uber's issuance of a public apology to the city for steamrolling into town while flouting city rules.

## **The Portland Mercury**

### **Preceding a Budget Vote, Mayor Wheeler Reassigns All City Bureaus to Himself**

*By Alex Zielinski  
April 27, 2018*

Mayor Ted Wheeler has reassigned all 27 city bureaus to himself until the city's 2018 budget is approved. In a Friday executive order, Wheeler announced that after the budget passes a council vote, his office will reassign the bureaus back to his fellow commissioners.

Wheeler will release his proposed budget on Monday, April 30, and the council is expect to vote on the final city budget on May 16.

This move is not unexpected. Wheeler did the same thing prior to 2017's budget announcement—and mayors before him sometimes took over bureaus for a number of months before the budget passed.

Former Mayor Charlie Hales said this process is meant to unify city commissioners, allowing them to shed some of their bureau's biases before making a vote that affects the entire city.

It's unclear if commissioners will be assigned the same bureaus they've led since after the budget's approved. After the 2017 budget vote last June, Wheeler made the unprecedented decision to leave Commissioner Amanda Fritz with only one bureau to manage, Portland Parks and Recreation.

According to Sophia June, a spokesperson for the mayor's office, Wheeler has yet to decided on reassignments.

"[Wheeler] is taking into account the fact that one member of City Council is leaving and reviewing different options and scenarios for bureau assignments," writes June in a statement to the Mercury. "Some commissioners may retain bureaus they had in their portfolio, but that isn't guaranteed or certain at this time."

Before today's decision, Wheeler was already in charge of an unusually large number of city bureaus. During his "State of the City" address earlier this month, Wheeler hinted that he wasn't entirely comfortable leading the Portland Police Bureau while also being Portland's mayor, calling the contradicting roles "fraught with peril and contradictions."

## **The Daily Journal of Commerce**

### **33-Story Tower Proposed for Downtown Portland Lot**

*By Chuck Slothower*  
*April 27, 2018*

A planning application has landed for a skyscraping tower on a downtown Portland block that is home to dozens of food carts.

The 33-story tower would comprise 750,000 square feet above ground, and four and a half stories of underground parking. The full-block tower would have a mix of uses, including office, hotel and residential functions.

The application is for the full block bounded by Southwest Ninth and 10th avenues, and Washington and Alder streets.

GBD Architects is listed as the applicant (a GBD representative did not immediately return a message seeking comment Friday). Public documents do not list a developer.

The block is owned by the Goodman family's Downtown Development Group through limited liability companies. Downtown Development Group co-President Greg Goodman declined to comment. He referred questions to a public relations representative, Pat Walsh, who would not answer questions.

“Due to confidentiality agreements, we cannot comment about whether or not a project is under consideration,” Walsh stated in an email message. “We discuss a project when all involved are ready to do so.”

The project may include condominiums, said Kyle Chisek, director of bureau relations and policy for Mayor Ted Wheeler’s office.

“My understanding is it’s probably a condo project,” Chisek said.

If so, the project would be a major test of the city’s inclusionary housing regulations that pertain to condos. The city promulgated condo regulations before pulling them back after developers responded that the rules would make condo projects unworkable. City officials are writing revised draft rules for inclusionary housing condo units, and they will be released in coming months, Chisek said.