

The Oregonian

\$2 Billion Barbur MAX Line Plan Gets Unanimous Portland Council OK

*By Andrew Theen
November 1, 2018*

Portland's elected leaders unanimously threw their support Thursday behind a proposed 12-mile light-rail extension from downtown to Bridgeport Village.

The estimated \$2.6 billion to \$2.9 billion project would give passengers a 30-minute ride between downtown and the suburban shopping center by 2027.

Portland leaders haven't figured out how much money the city is willing to chip in for the long-awaited project, which is expected to be the centerpiece of a 2020 regional transportation bond. But the City Council's support for the preferred rail route is the latest indication the so-called Southwest Corridor plan is one step closer to reality.

"We have an opportunity to deliver high-capacity transit service and safety improvements to one of the most congested parts of our region," said Commissioner Chloe Eudaly, who oversees the Transportation Bureau. She and other leaders called the project "transformative."

Planners said the project goes far beyond bringing 13 transit stations and seven park and rides to Barbur Boulevard and the shopping district in the Tigard and Tualatin area. Designs include miles of sidewalks and pedestrian crossings, bike lanes and a dramatic overhaul for how motorists get to and from the Ross Island Bridge. It will also include better connection between Barbur and Oregon Health & Science University and the medical campus on Marquam Hill.

Two aging bridges - the Vermont and Newbury Street Viaducts - will be replaced to give more space to walkers and cyclists.

Portland, TriMet and Metro are trying to approach the project differently than they did previous light rail lines in North Portland, Milwaukie and elsewhere.

If Portland-area voters approve a \$652.8 million housing bond next week, the public agencies say they will use some of the proceeds to build affordable housing complexes along the route before the light-rail project drives up land prices.

This week TriMet and the city revealed another strategy geared toward preventing homes and businesses from being priced out of the neighborhood. The transit agency often has surplus land from MAX projects because it purchases large parcels as a placeholder for construction equipment or other properties are deemed larger than necessary.

The route passes through a part of Portland that boasts about 11,400 homes within reach for low- and moderate-income renters, according to a Portland State University study.

Metro Councilor Bob Stacey said the regional partners are committed to preserving and expanding on that supply "as development occurs."

Doug Kelsey, TriMet's general manager, said the region of Southwest Portland, Tigard, Tualatin and Sherwood expects to add 70,000 people and 65,000 jobs by 2035.

"This is one of the largest infrastructure projects in this region's history," Kelsey said, "and yes, it's a complex one." Kelsey cautioned that the engineering design for the undulating terrain is just at 5 percent, adding there was an "immense amount" of work to do.

The Portland area will need to compete with other cities and regions for federal funding. "We will complete for these dollars like never before," Kelsey said.

The project comes as public transit agencies nationwide have seen ridership declines. Eudaly said that doesn't concern her.

"I don't believe increasing ridership on mass transit is a lost cause," she said. "Because we have failed to mitigate displacement and because we haven't developed affordable housing strategies alongside these transit projects, we've seen decreased ridership. It's my goal we don't continue to do that."

The council heard testimony from more than a dozen community members and business owners, largely in support of the project.

Tony Jordan, an outspoken Portlander interested in parking policy, cautioned the seven park and ride locations and thousands of spaces is not the right step for the region, given the environmental implications. "If we're still building 4,000 parking stalls in 2027," he said, "we've gone down the wrong path."

The Metro Council, the regional government's elected tri-county representatives, will cast the ultimate vote on the preferred route at its meeting Nov. 15, adding the project to a list of the region's most important transportation projects.

The Southwest Corridor would be the first light rail line since the Orange Line to Milwaukie opened in 2015. Metro expects the first trains to roll out on the new line by 2027 if federal and local funding is secured.

Metro estimates 43,000 people would ride the line every day by 2035. The hope, planners say, is the transit line will provide a new option to car commuters stuck in traffic on adjacent Interstate 5. Ultimately, the estimates say 20 percent of southbound commuters in the evening hours may take the train instead of driving.

Officials Report 'Strong Concern' About Portland Online Permits Project

*By Gordon Friedman
November 1, 2018*

Officials monitoring city of Portland technology projects reported their "strong concern" about the company handling Portland's long-plagued digital building permits project Wednesday. But they also said those concerns have since been allayed.

Members of the city's technology oversight committee rated the Portland Online Permitting System project yellow on a green-yellow-red scale (green being best, red worst) for its expected completion date, budget and project stability. An independent project consultant gave the same ratings.

"While the status is yellow, we do see it as an upward trajectory," committee member Dyanna Garcia, a manager at Nike, told the City Council.

The committee wrote in its quarterly report that it has "strong concern about the vendor's timeliness and ability to respond to issues that have arisen."

Jeff Baer, director of the city Bureau of Technology Services, said those concerns arise from "defects" found in test systems supplied by the vendor. Those defects have since been fixed, Baer said, but were noted in the technology committee report because they were caught during the July through September monitoring period.

Baer told the City Council on Wednesday that the permits project, known as POPS, "is not without challenges." But he said it is "going pretty well" and there are "no significant issues."

Wednesday's quarterly report also for the first time made clear the project budget is \$12 million. Its expected completion date, Sept. 30 of this year, has been revised to "T.B.D."

POPS is a rebrand of an earlier online permits system project called Information Technology Advancement Project, or ITAP. That project was supposed to bring the city permitting bureau into the digital age, allowing developers and permits workers to submit and access records online. But it was never finished, and later replaced with POPS.

The ITAP project turned into a boondoggle as it blew past scheduled deadlines despite more than \$8 million in city spending on the project. Portland cut ties with the company building it in 2016 after a consultant recommended work on the project be halted.

Among the consultant's recommendations: A rebranding effort, which would give the tech project a "fresh start."

Baer, the technology bureau head, said he is cautiously optimistic about the POPS project, and doesn't expect it to blow past its budget. He said a test run of the system has processed two commercial building permits and earned rave reviews from users.

The Portland Tribune

Council to Consider Wheeler Protest Ordinance on Nov. 8

*By Jim Redden
November 1, 2018*

Mayor wants to give the Police Commissioner the authority to restrict when and where groups who have fought in the past can protest.

Mayor Ted Wheeler will introduce his promised ordinance to reduce violent protest on Thursday, Nov. 6, when the City Council will take testimony on it.

Wheeler first said he would introduce the ordinance on Monday, Oct. 15, following weekend downtown clashes between the right-wing Patriot Prayer members and left-wing counter-protesters. At the time, Wheeler said he would propose giving the Police Commissioner the authority to restrict where groups who have clashed in the past may gather and demonstrate.

The ACLU of Oregon has called the concept an unconstitutional restraint of free expression. But Wheeler says it is necessary to prevent the frequently violent confrontations between the two loosely-affiliated groups that began shortly after Donald Trump was elected president at the November 2016 general election.

The repeated clashes have generated national news coverage, with conservative outlets criticizing Wheeler's management of the police and saying Portland streets are not safe for law-abiding citizens.

"Portland is one of the most vibrant, livable and economically prosperous cities in the U.S, and we have a robust history of peaceful demonstrations — but in recent years we've become a magnet for agitators either with a history of -- or an expressed intent to be violent," Wheeler said when he announced the introduction of the ordinance. "We created common-sense, content-neutral legislation to protect the safety and property of the public."

The proposed ordinance details numerous confrontations between the two groups, beginning with dueling marches following online threats that caused the cancellation of the annual 82nd Avenue Rose Festival parade scheduled for April 29, 2017, and concluding with the Oct. 13 brawl that preceded the press conference. It then refers to the commissioner in charge of the Portland Police Bureau and says:

"The Commissioner in Charge, through written orders, is authorized to impose upon planned demonstrations in the City reasonable, content-neutral time, place, and manner regulations prior to the demonstration event. Each written order by the Commissioner in Charge shall make findings demonstrating the necessity for each instance in which time, place, and manner regulations are imposed. The written orders of the Commissioner in Charge shall be imposed to protect the public's use and enjoyment of public spaces, to coordinate multiple uses of a limited public space, to assure preservation of public and private property, to protect the lives and safety of people in the City, and/or to prevent conduct that is dangerous or unlawful."

The ordinance then outlines findings the police commissioner much make and creates penalties for anyone who violates the restrictions that are issued.

The ordinance has an emergency clause, meaning it will take effect immediately if unanimously approved by the council. Commissioner Dan Saltzman is the only other council member to publicly support it so far.

Portland City Council OKs SW Corridor MAX plan

*By Amy Frazier
November 2, 2018*

Proposed 12-mile route intended connect city with Tigard and Tualatin, and encourage redevelopment along the route.

In about 17 years, the proposed Southwest Corridor MAX line is projected to serve about 43,000 weekday commuters and carry 20 percent of the southbound nighttime rush hour commuters.

On Thursday, the Portland City Council put their unanimous stamp of approval on an amended plan supporting a 12-mile route for the MAX line that would run parallel to I-5 and along SW Barbur Boulevard. The project, estimated to cost between \$2 billion and \$3 billion, will connect downtown and Southwest Portland with Tigard and Tualatin.

Supporters hope to have the new MAX line up and running in 2027.

In a three-hour council session on Nov. 1 that included public comment, city officials listened to the plans, suggestions and adopted amendments before voting 5-0 to OK the overall plan.

In remarks immediately preceding their "aye" votes, each commissioner and Mayor Ted Wheeler spoke about the opportunity this provides, while noting there are still many challenges ahead before this Southwest Corridor MAX line becomes a reality.

Commissioner Chloe Eudaly, who will serve on the steering committee moving forward, said, "This is by no means the last public major transportation project in this area."

Commissioner Amanda Fritz noted this is a "huge opportunity" for the region, and Commissioner Nick Fish said the process in discussing these transportation issues is often "gnarly" but in the end "we get to the right outcome."

Wheeler declared this a "necessary vision, a bold vision" and that the city "needs to make big infrastructure investments like this." He also noted how proud he was the discussion included more than transportation, that housing and livability were also in the mix.

Commissioner Dan Saltzman, who is retiring from the council in January, also voted "aye" but noted there is a long way to go before this is a reality. One of the "big ifs," he said, is securing the money from the federal government. Light rail, he noted, is not always "manifest destiny" from the federal government.

Now that Portland has OK'd the plan, the Metro Council will vote on the final route for the Regional Transportation Plan on Nov. 15.

'Affordable housing should be top priority'

PBOT's Dylan Rivera told KOIN 6 News they feel strongly that "affordable housing should be a top priority early on in planning the Southwest Corridor."

The agreement the city reached with the other localities and agencies is innovative, he said. "It's a product of years of learning about light rail and how it works and how it's worked elsewhere in Portland."

He said they're not aware of another city in the United States that has an agreement like this "upfront, to plan ahead that when there's excess land from construction of the light rail line, the first priority for that land will be for affordable housing."

Officials are aware affordable housing is a high priority in the Portland area. "We want to make sure that this light rail line serves the people who live in the southwest area today and people who will move here in the future," Rivera said.

They believe they can get at least 950 units of affordable housing as part of this agreement. "There's a lot more work to come in the coming years to provide the funding to build each building along the corridor."

Rivera also said there will be many opportunities for public input about all the issues connected with the Southwest Corridor line. Right now, they're only at about "5 percent design right now."

"Commissioner Chloe Eudaly will represent the City of Portland in those discussions about affordable housing, about the Crossroads (intersection), about the Ross Island Bridge head, about Marquam Hill," he said.

"There are many important project elements to be evaluated and refined in the weeks and months and probably years ahead, such as connections to Marquam Hill, the route through the Crossroads area," Eudaly said Thursday in the City Council session.

Previous concerns

Fritz originally opposed portions of the preferred alignment, which would cross west of the existing Barbur Transit Station. She identified three areas of concern, and the council delayed until Thursday a discussion about whether to sign off on the deal.

Her areas of concern include the connection to the Oregon Health & Science University campus on Marquam Hill through Terwilliger Parkway, the route through the existing Barbur Transit Center and complex "Crossroads" intersection of Barbur and Southwest Capitol Highway over I-5, and the connection to Portland Community College's Sylvania campus at Southwest 53rd Avenue, the Portland Tribune reported in October.

"Southwest 53rd is an ideal location for affordable housing. Using it for a park-and-ride used mostly by people living outside Portland would be a missed opportunity and put even more cars on Pacific Highway which is already congested," she previously told the Portland Tribune then.

In the ensuing weeks, the City of Portland "developed an agreement with Tigard, Washington County, Metro and TriMet to promote affordable housing along the route by making excess land available for housing construction," the Portland Bureau of Transportation said in a release Thursday.

Willamette Week

Portland Mayor Goes on NBC News to Pitch His Plan to Keep Brawling Protesters Apart

*By Aaron Mesh
November 1, 2018*

The prime-time appearance comes even as Ted Wheeler becomes a nationally polarizing figure.

Portland Mayor Ted Wheeler is keeping a high profile as he girds for a confrontation with Portland protesters.

Wheeler announced today that on next Thursday, Nov. 8, he will formally introduce his proposed ordinance to restrict when and where protesters can rally—an attempt to keep right-wing extremists and antifascists from brawling with each other. That proposal has met with skepticism inside City Hall and dismay from civil-liberties watchdogs.

In advance of his announcement, Wheeler went on NBC News last night to discuss his plan.

"I feel a personal responsibility as the mayor of this city to protect the public and protect the public's property," Wheeler said in his only sound bite on the evening news broadcast. (Watch the video here.)

Wheeler has increasingly found himself a figure of national prominence—and a polarizing one.

The mayor became a boogeyman of the American right wing this summer after he instructed Portland police officers not to involve themselves in a standoff between leftist protesters and federal immigration agents.

Among those who loathed Wheeler: Cesar Sayoc, the alleged mail-bomber who targeted President Donald Trump's adversaries. Sayoc threatened Wheeler on social media.

This week, Wheeler said that FBI agents told him that Sayoc had researched Wheeler's physical location.

"Our office was recently informed by the FBI that the pipe bomb suspect, did in fact research me and locations possibly associated with me," Wheeler wrote on Twitter on Oct. 30. "Our security team is aware and we are taking extra precautions regarding our safety."

It's unclear what exactly Wheeler was referring to. Did the FBI tell him that Sayoc had looked up his address and schedule? His office declined to elaborate.

"We unfortunately are very limited in what we can say by the FBI," spokeswoman Eileen Park told WW. "What the mayor tweeted is all we can reveal."

Advocates Push for Alleyway of Eateries to Try to Save Dozen of Food Carts

*By Andi Prewitt
November 1, 2018*

Portland could get a culinary corridor between Director Park and O'Bryant Square

Dozens of food carts are slated to be displaced for redevelopment, but a trio of advocates has a proposal to keep those businesses alive.

The plan calls for the creation of a "culinary corridor" by replacing some parking spots downtown, and while the precise area is up for debate, the current focus is 9th Avenue between Director Park and O'Bryant Square. That would potentially make room for some of the 55 carts located on 10th Avenue and Alder Street. The block will at some point next year need to be cleared for construction of a mixed use hotel.

"If fully evolved," explains Randy Gragg, a Portland writer and urban design proponent, "It could house somewhere between 20 and 30 carts."

Gragg pitched the plan to City Council yesterday along with Brett Burmeister, a food cart tour guide who also runs an online guide to Portland carts, and Daniel Huerta, owner of Churros Locos. Many of the logistics need to be fleshed out, including electrical access, wastewater disposal and overall property management. But the Gragg is optimistic.

"The mayor seemed very enthusiastic about the concept," Gragg says. "The proposal is high-concept, but pretty low-tech."

Ultimately, the corridor supporters want to at least kick start a conversation about ways to maintain an iconic part of the city.

"They've become a huge attraction. Portland is known for its food carts," Gragg says. "What can we do to keep the draw of street food and keep our carts where young chefs and immigrants can get a leg up?"

The Daily Journal of Commerce

Adjusting to Inclusionary Housing Rules

By Chuck Slothower

November 1, 2018

More than 18 months after inclusionary housing took effect in Portland, the first project to bring affordable housing to market under the policy may offer only a single affordable three-bedroom apartment.

Affordable units have been slow to come to market in Portland as for-profit developers navigate the inclusionary housing process. Not one has been built yet, according to stakeholders and city documents.

Developments that include 362 inclusionary units have received permits or are close to receiving permits, according to a Portland Housing Bureau report dated Sept. 26. Since inclusionary housing took effect Feb. 1, 2017, 8,578 units in buildings of 20 or more units have entered the city's permitting pipeline.

Yet the permitting data offers an incomplete picture – it does not reflect how many projects actually get built. Developers may withdraw or delay construction for any number of reasons, and commonly do so.

Urban Asset Advisors could be the first developer to bring inclusionary housing units to market. The Portland firm, according to its president, Tim O'Brien, has two projects that should have building permits in the coming weeks.

In the case of Multnomah Station, a 39-unit apartment building in Southwest Portland, the inclusionary housing requirement will likely be satisfied with a single three-bedroom apartment, O'Brien said.

The rules, adopted by the City Council at the height of Portland's housing crisis, give developers the option of providing 8 percent of units affordable at 60 percent of the Portland area's median family income or providing 10 percent of units affordable at 80 percent of median family income or paying a substantial fee-in-lieu to the Housing Bureau to fund affordable housing.

A provision that was introduced by former Commissioner Steve Novick to allow developers to convert the requirement to an equivalent number of bedrooms rather than units also comes into play. That provision allows Urban Asset Advisors to satisfy the requirement at Multnomah Station with a lone three-bedroom unit.

Similarly, at Artisan on Division, a 54-unit project planned at 3489 S.E. Division St., the requirement for 8 percent affordable units becomes four bedrooms. That will likely be met by a three-bedroom unit and a studio unit, O'Brien said.

The 8 percent option makes projects more workable, he said.

"For us, it worked better because it's a smaller percentage (of units)," he said.

The Housing Bureau is encouraging developers to choose the 8 percent option, said Matthew Tschabold, the bureau's interim assistant director.

"We calibrated the program so the 60 percent option would be attractive as a voluntary option because there's a great need for affordable housing at that income level," he said.

The Housing Bureau's data shows a majority of inclusionary units that have been identified are at the 60 percent income level.

A number of projects that have recently moved into design review come from large, out-of-state developers such as Security Properties of Seattle, Fairfield Residential of San Diego and Greystar Real Estate Partners, based in Charleston, S.C.

The long-term effects of inclusionary housing on the multifamily market remain to be seen. Developers rushed to beat the deadline when the affordable housing requirements took effect, creating a massive overhang of projects vested according to pre-inclusionary housing rules. Once 19,000 units, that backlog has fallen to a little more than 8,000 units – still a massive number.

Developers are “not sure if their projects are going to move forward” because of broader market conditions, Tschabold said.

Higher construction costs and rising interest rates have made profitability difficult for multifamily projects. In some submarkets, rent growth has softened and even gone backward.

Urban Asset Advisors is not looking to begin new multifamily projects, O'Brien said.

“We're not buying land right now – not even looking,” he said. “The winds of change are against new housing production, in addition to (inclusionary zoning).”

O'Brien predicted it's only a matter of time before another housing crunch hits Portland as developers refrain from building multifamily projects that are subject to inclusionary housing requirements.

“Without a doubt,” he said. “I think it's 24 months from now. I think it's pretty apparent.”

Noel Johnson, principal with developer Cairn Pacific, said inclusionary housing caused a deep pullback in multifamily development.

“It has had a bigger impact than the global financial crisis,” he said.

Tschabold said it's too early to draw conclusions on inclusionary housing's effects on multifamily construction.

“We're watching it closely, but at this point we think it's still too soon to tell,” he said.

Even the shallow ranks of developers still willing to build multifamily housing face delays. Since inclusionary housing took effect, developers have had to negotiate system development charge waivers and agreements for affordable units for each project.

“It added probably three months onto our permit cycle,” O'Brien said, adding that he hopes to have permits for Multnomah Station and Artisan on Division in about 30 days.

Developers have had to negotiate inclusionary housing agreements with the city attorney's office, the Housing Bureau and individual city commissioners, Johnson said.

“You have a bottleneck that is unfathomable,” he said. “The city is processing, in a highly negotiated way, every project in Portland.”

The city is working to standardize the process for meeting inclusionary housing requirements, Tschabold said. A number of proposed technical changes will be presented to the City Council in December for approval. They're a mix of suggestions from city staff and others to make the rules “a little bit more robust, albeit more objective and clear,” Tschabold said.

The Housing Bureau is also delaying a scheduled ramp-up that would cause affordable housing requirements to rise to 10 percent of units at 60 percent of median family income or 20 percent of units at 80 percent of median family income.

The Housing Bureau is open to making changes to the program, Tschabold said.

“We’re continuing to monitor it and make adjustments, and if folks have suggestions to make the program work better, we’re always open to hearing that feedback and assessing what adjustments can move forward,” he said.

Mayor Ted Wheeler, speaking at an Oct. 16 housing event, said inclusionary housing “seems to be showing good progress.”

“If it needs trueing up or refinement, I’m committed to trueing up and refining as necessary,” he said.

The looming slowdown of post-inclusionary housing multifamily projects may not be felt in the housing market for years, Johnson said.

“I am worried,” he said.

Tweaking the program now may not help much, he added.

“It’s awkward for all of us,” he said, “because at this point, the damage is done.”