

The Oregonian

Portland Reverses Course, Will Pay for Damage Caused by Burst Water Main

*By Gordon Friedman
May 17, 2019*

The city of Portland will pay to repair the damage caused by a ruptured water main that flooded more than a dozen Northeast Portland homes, Commissioner Amanda Fritz said on Friday.

Fritz said she and Mayor Ted Wheeler conferred and agreed that although the city may not be technically liable for the damage it should make the homeowners “whole.”

It’s unclear how much the city will pay, said Fritz, who serves as the water commissioner. The City Council will be asked to approve the payments and a vote is not yet scheduled, she said.

Fritz’s announcement comes one day after Michael Stuhr, the Portland Water Bureau director, said his agency felt badly about the damage caused by the burst pipe. The rupture was unforeseeable, he said.

The 30-inch cast iron water main broke without warning on March 16 and gushed 40,000 gallons a minute onto Sabin neighborhood streets before being brought under control hours later.

Homeowners reported their basements were flooded, some with more than two feet of water. One said the damage would cost at least \$75,000 to repair.

Property owners reportedly had their insurance claims denied because they do not have flood coverage. None had opted for that coverage because their homes are not within a floodplain.

The city’s risk management office also denied the homeowners’ damage claims, saying the city was not responsible for the busted pipe and subsequent deluge. Several homeowners had threatened to file suit over the denials.

First of Portland Projects Designed to Speed up Buses Arrives on Madison Street

*By Andrew Theen
May 17, 2019*

This weekend, Portland will create a bus-and-bike-only lane on Southwest Madison Street on a five-block stretch approaching the Hawthorne Bridge.

The lane is the first of 18 projects in the so-called Central City in Motion plan, which officials say will speed up buses through downtown and inner eastside neighborhoods. The \$36 million plan, which was approved by the City Council in November, will create transit-dedicated lanes, install protected bike lanes on key streets, and create safer pedestrian crossings on both sides of the Willamette River.

“We were serious when we promised a quick implementation of Central City in Motion,” Commissioner Chloe Eudaly, who oversees the transportation department, said in a statement. “This first project on SW Madison will reverberate in the Central City and beyond. When buses move more efficiently, we all benefit.”

The projects are expected to be built during the next five years, but as of November the city had a \$9 million funding gap. The lane won't extend onto the Hawthorne Bridge itself.

Other bus lanes on the approach to downtown bridges are expected to be created later this summer or early fall. A Northwest Everett Street bus and right turn lane may be created in the fall, as the city is coordinating the project with Oregon Department of Transportation and Multnomah County due to the Steel Bridge's light rail line and other uses. That project, which converts one of the two travel lanes to buses and right-turning vehicles only, also includes shuttering the ramp from southbound Naito Parkway to the bridge. City officials estimate travel speeds grind to less than 5 miles per hour on Everett during rush hour.

An eastbound bus lane on the Burnside Bridge will move forward later this year after the county finishes a maintenance project there.

Jillian Detweiler, executive director at the nonprofit advocacy group The Street Trust, said the first of nine planned new bus or transit lanes in the downtown and inner eastside was a "small piece" but an important one.

"We talk to lots of people who have given up on transit because it takes too long and is not reliable," she said in a statement. "We can reverse the trend by getting buses out of traffic now."

Sam Desue, Jr., TriMet's chief operating officer, said one bus took more than 60 cars off Portland's streets: "The more our service is fast and reliable, the more likely you'll hop on board instead of sitting in your car."

Portland isn't removing either of the existing two travel lanes on Madison to accommodate the bus lane. Instead, on-street parking dedicated to law enforcement or parking enforcement officers will be removed. The city will install plastic bollards, like those seen on Naito Parkway and other streets, to physically separate the bus and transit lane from other traffic. Cars will no longer be allowed to make right turns onto Southwest Third Avenue from Madison starting this weekend.

Hannah Schafer, Portland Bureau of Transportation spokeswoman, said the Madison lane would benefit thousands of transit users who relied on five different bus lines that crossed the Hawthorne Bridge.

"Their trips are going to be quicker through the Central City," she predicted, saying the Lines 2, 10, 14, 6 and 30 routes provide an estimated 23,000 trips every day.

The city says the protected lane, "provides more space for buses and bikes and reduces potential conflict between buses, cars and bikes. It includes a passing zone to help people on bikes bypass buses stopped at bus stops."

Portland hopes to paint the new lanes red to make it clearer to travelers in the future, but that transit use is considered "experimental" and the city is awaiting approval from the Federal Highway Administration to paint its pavement.

The city on Friday also announced it had created an 18-member working group to offer design advice on the other 17 projects still in the pipeline. Portland is starting design for the future of Naito Parkway's permanent protected bike lane, the north-south protected bike lane on Southwest Fourth Avenue between Lincoln and Burnside Street. Those projects, plus a plan to convert Southeast Salmon Street into a neighborhood greenway are expected to go be built in 2020 or 2021.

The Portland Tribune

Frog Ferry Makes Plea for City Dollars Before Budget Vote

By Zane Sparling

May 20, 2019

Founder Susan Bladholm says project may lose out on state funds if Portland pulls \$200,000 grant.

It's a sink-or-swim moment for the fledgling ferry service between Portland and Vancouver.

Portland City Council will vote on Wednesday, May 22 whether to pay out \$200,000 in one-time general fund dollars for a feasibility study of water taxis, which would move tourists and commuters (but not their cars) across the state line.

Mayor Ted Wheeler has included the money in his proposed budget, while Commissioner Jo Ann Hardesty says funding for the Frog Ferry and James Beard Public Market, among other things, could be better spent elsewhere.

"Both may be excellent programs, but if they're so excellent, private business should fund it, and they should come back and tell us what they've found," Hardesty said during a May 14 work session. "Maybe there was an agreement before I got here, but nobody told me about it."

For Frog Ferry founder Susan Bladholm, it's *deja vu*. She had hoped for \$350,000 from the 2018-19 fiscal year budget, but the line item was removed from the final city spending plan.

"We understand there are always going to be choices to be made," Bladholm said. "\$200,000 is a lot of money to me, but when it comes to transportation infrastructure, it's a small amount."

The ferry service hopes to net an additional \$500,000 from the state legislature as soon as three weeks from now, but lawmakers have signaled they won't cough up the dough unless Portland demonstrates their commitment first.

Down the road, the Federal Transit Administration's passenger ferry fund might pay up to 85% of Frog Ferry's construction costs. Bladholm notes that 40 states tap into the grant money currently, but not Oregon.

Feasibility facts

Frog Ferry says it needs to complete four studies to truly launch.

Of those, a demand modeling study is already underway at Metro. TriMet and the Portland Bureau of Transportation each chipped in \$10,000 in funding, while Frog Ferry says it contributed a software package and parameters worth \$250,000.

The city's \$200,000 would help pay for the other three studies, which look at best practices, environmental, social and economic impacts, and would craft finance and operations plans.

"Participation from the city of Portland is really critical to leverage other funds, both within the region, the state and more long-term for capital infrastructure from the feds," Bladholm said.

Portland last completed a water taxi study in 2006, and Bladholm says the region's traffic and dock facilities have changed significantly since then. Ferry builders have also developed new technology that could help a craft sneak under the Steel Bridge and meet low weight requirements designed to protect riverbanks.

As first publicly proposed, Frog Ferry would chug between Vancouver and the Salmon Street Springs in just 38 minutes, compared with a car commute that Bladholm says takes 70 minutes.

A total of nine stops are initially planned, but the details of constructing ticket offices and docks are unknown.

The dock in Lake Oswego is "beautiful," Bladholm explains, but significant upgrades would be needed to create suitable gangplanks in Oregon City, Milwaukie and at OMSI. There's also a lack in Vancouver — parking.

Revised Tenant Protection Measures Scheduled for Thursday

*By Jim Redden
May 19, 2019*

The City Council will hold a hearing on Commissioner Chloe Eudaly's revised measures on the afternoon of May 22.

Commissioner Chloe Eudaly will try again Thursday to convince a majority of the City Council to support new tenant protection measures.

The measures are intended to limit the reasons that landlords can reject a rental application and regulate when security deposits can be withheld, among other things.

Eudaly has revised her measures after they were first heard by the council on April 3 and 4. At that time, they were strongly opposed by landlords, who complained the screening requirements could force them to rent to convicted criminals. Landlords also called the new requirements too complicated to understand and follow.

Some developers also objected to restrictions on how much potential tenants have to earn, arguing that lenders require tenants to early at least three times the monthly rent for projects to be financially viable.

The Portland Tribune also learned after the first hearings that the City Attorney's Office has sent council member a memo summarizing the legal risks faced by the original proposals. Mayor Ted Wheeler characterized the risks as "low to high," depending on the issue.

Wheeler said that Chloe has been working with Commissioner Nick Fish to craft a compromise that will pass the council and withstand legal challenges.

As first reported by Willamette Week, the revised measures introduced last week are simpler but still restrict landlords from requiring potential tenants to earn no more than 2.5 times the rent. They are now available on the city's website [here](#).

Landlords and developers have yet to respond publicly to the revisions. The hearing on them is scheduled for 3 p.m. on Thursday, May 22 in the Council Chambers of City Hall.

The council cannot vote on the measures Thursday because they have been changed since the first hearing. Votes could be held the following week.

You can find the measures as items 483 and 484 on the council agenda [here](#).

Portlanders Invited to Take Community Insights Survey

*By Jim Redden
May 18, 2019*

Annual satisfaction and livability survey is now open to all residents online until May 28.

The city is inviting all residents to participate in the annual Portland Community Insights Survey this year.

The satisfaction and livability survey is conducted each year to give the mayor, the City Council, and city bureaus information about the priorities of residents and how city government can improve its programs.

Questions range from the greatest challenges facing Portland to recommendations about how specific city bureaus can improve their operation. The survey also asks about difficulties facing the respondents and their involvement in city programs.

The survey has traditionally been conducted among a limited number of residents by the City Auditors Office. It has been redesigned this year by the City Budget Office as an online survey open to everyone from May 8 to May 28.

Survey will also be conducted in Portland communities with the help of a multi-lingual crew of 40 canvassers, including students from Portland State University, Portland Community College, and local community leaders.

The survey can be taken online at www.research.net/r/PDXspeaks.

Willamette Week

Portland's Cannabis Taxes Were Mostly Used to Backfill Police Budgets

*By Aaron Mesh
May 18, 2019*

They didn't result in more DUII enforcement. Commissioner Chloe Eudaly thinks that's ridiculous.

Portland voters approved a 3 percent sales tax on cannabis in 2016. At the Portland City Council's 2020 budget work session May 14, the city auditor revealed that \$2 million of the cannabis tax was used to backfill the Portland Police Bureau's budget over the past two years.

As WW previously reported, a city audit showed that the tax money mostly went to police—and specifically the traffic division, which enforces DUII law. But the council's work session revealed that the weed money didn't fund additional DUII patrols. Instead, it backfilled police budget shortfalls.

Commissioners disagreed on whether or not the city's decision to use a portion of the tax to backfill the police budget was acceptable.

Commissioner Amanda Fritz defended the decision. "The ballot measure did not specifically say we could not backfill," she said. "We tried to strike a balance between identifying desired needs, like the training, and at the same time leaving the council the deciders on how to spend this."

Commissioner Chloe Eudaly was among the disenchanted with rerouting millions to the general fund. "This grant money simply supplanted general funds in the [Police Bureau] traffic division which were used elsewhere," she said.

Eudaly and Hardesty were also frustrated that only 16 percent of cannabis tax revenue was allocated to supporting small businesses and a meager 5 percent of the tax was allocated to substance abuse treatment programs. Roughly 79 percent of the dollars went to police.

When Commissioner Jo Ann Hardesty asked the police bureau if any of the cannabis tax dollars had been given to driver education programs that dealt with driving under the influence of cannabis, the bureau balked.

"Clearly the supermajority went to law enforcement but there doesn't seem to be a tie to cannabis at all," said Hardesty. She added that increased traffic safety was "the frame we sold this to voters on," but that the promises weren't fulfilled.

Eudaly echoed Hardesty's disappointment. When she asked the police bureau if any new officers had been hired with the tax money, they responded "zero." She responded, "I want to see an actual increase in enforcement [of DUII laws], and I'm disappointed that these dollars didn't deliver it."

Hardesty became frustrated when Fritz said that the three allocation buckets—policing, small businesses, and treatment—were "never intended [to be] be entirely balanced."

"Today we have marijuana businesses where white men are making fortunes daily," Hardesty replied. "The people who have been criminalized for marijuana policy and activity are not the people who are making bucket loads of money every single day. When we sold this to the public talked, we talked about trying to undo some of the harm that has been caused by past public policy."

Fritz agreed with Hardesty that finding a way to allocate some cannabis tax money to expunging people's legal records of previous cannabis violations would be an honorable use of the tax dollars; Eudaly said the cost of expunging records should lie on the shoulders of the state, not on individual cities.

Hardesty capped off the conversation by expressing her frustration at the nebulous nature of the conversation regarding the cannabis tax.

"We keep talking philosophically, right? But there are real people's lives who have been impacted," said Hardesty. "How many folks still can't get a job, can't get an apartment, can't live in certain neighborhoods because of convictions that are 10, 20 years old?"

The city forecasts \$4.7 million in cannabis tax revenues for the current fiscal year.

Portland City Commissioner Chloe Eudaly's Tenant Screening Rules May Now Have the Votes Needed to Pass City Council

*By Rachel Monahan
May 18, 2019*

Commissioner Fish's office praises Eudaly's efforts at revising the policy.

City Commissioner Chloe Eudaly's tenant screening-criteria and security-deposit regulations will come back to council next Thursday, May 23—after gaining new support.

City Commissioner Nick Fish's office offered encouraging comments this week, a signal of his potential support.

"We appreciate Commissioner Eudaly's collaborative approach," says Fish chief of staff Sonia Schmanski. "They've been working hard to earn Council support, and have been especially receptive to our concerns around legal risk and ease of use. There's been a lot of great conversation at the staff level to work through questions and concerns, and they're taking the time to build a good product."

Fish could be the third vote needed to pass the ordinance. Commissioner Jo Ann Hardesty has been generally supportive of Eudaly's ordinance.

The policy has received high-profile opposition from landlord lobby, including over the requirements legislating limitation on turning down a tenant who has a criminal background.

At the last hearing, the issue of how Hardesty questioned a property manager became a matter of conflict. Mayor Ted Wheeler called for civility, and the Urban League of Portland criticized the mayor's comments as racist.

The revised draft will be released on Monday or Tuesday, says Eudaly's office. A vote won't be taken on Thursday, because the Council will be discussing a revised version.

Eudaly's policy director, Jamey Duhamel, says the ordinance has been streamlined to make it clearer.

"The largest changes that people will notice is that it's been redrafted, reorganized and reworded to make the intentions very clear," she says. "We're happy with a new version, very substantively does the same thing as the previous draft that is much more direct and understandable in its intentions."

There have been policy changes "to streamline the process" and "help minimize the administrative burdens and costs" to landlords "with compromising the outcome."

That includes making clear that the "first come, first served" requirement does not eliminate a landlord's discretion over choosing whether to approve an applicant or not, so long as the reason is not discriminatory, says Duhamel.

There has been at least one key substantive policy change.

Instead of requiring landlords to set the minimum income required for an apartment at two times the rent, the new policy will benchmark the requirement to apartments affordable to 80 percent of area median income: above that, landlords will be required to accept income that's twice the rent; below that the requirement will be 2.5 times the rent.

OPB

Portland Drafts Ordinance To Crackdown On Airbnb

By Amelia Templeton

May 17, 2019

Portland's mayor is planning to introduce an ordinance that would force online short-term rental companies like Airbnb to take down unpermitted rentals.

The proposed crackdown in Portland follows a federal court ruling in March that dealt a legal blow to Airbnb's long-held position that it is not responsible for policing unpermitted listings on its site.

Portland's revenue division has been trying to reach a voluntary agreement with the company for more than a year over unpermitted rentals.

The city says Airbnb's latest offer represented a step backward, so it is preparing to try a tougher tactic: an ordinance that goes after Airbnb's profits.

The draft ordinance would prevent Airbnb from collecting booking fees on unpermitted rentals in Portland.

It's modeled after a similar ordinance in Santa Monica that was recently upheld by the 9th Circuit Court of Appeals. Airbnb sued Santa Monica, arguing the city's rules violated federal laws protecting online speech. The court disagreed, and upheld Santa Monica's ordinance.

Mayor Ted Wheeler's staff stressed that Portland's ordinance is still in draft form, and could change. He plans to introduce it to council at the end of the month.

The ordinance would give short-term rental booking sites two options: rely on a registry of permitted short-term rentals that the city provides, or agree to share data about hosts and take down listings the city flags as illegal.

Revenue Director Thomas Lannom said he remains interested in working with Airbnb, if possible.

"We're not interested in introducing undue friction into this business model. That's why we're providing these two doors," he said.

Portland's regulations require hosts to get a safety inspection, pay a permit fee, comply with rental or HOA agreements, and limit the number of months a person can rent their entire home or apartments.

Airbnb declined to answer questions about the draft ordinance, why its negotiations with the city broke down, or why it doesn't require hosts to comply with local regulations. The company's profits are being closely watched as its CEO has said he plans to make an IPO later this year.

In 2014, Portland became the first state in the country to strike a deal with Airbnb: the City Council legalized short-term vacation rentals and imposed permitting requirements, and the company agreed to charge its guests lodging tax that would go to the city.

But while it reached a deal in theory, in practice, Portland has been unable or unwilling to get Airbnb to comply with the regulations on short-term rentals.

Many of the rules were intended to keep more units in the city available for residents, not tourists, as the city dealt with a significant shortage in rental units and low-income residents were forced out of the center city.

Airbnb and its competitors don't take down listings that don't comply, and have refused to share host data to make it easier for Portland to enforce its rules.

Last year, the city auditor estimated that just 22 percent of listings in the city had permits. Approximately 60 percent of the listings were for entire homes or apartments.

In 2015, Portland became entangled in a lawsuit and counter-suit with one of Airbnb's chief competitors, HomeAway. The city alleged that company was charging its customers lodging tax, but not paying it.

The settlement Portland reached with HomeAway last year appears to have increased the pressure to get Airbnb, which has been paying lodging taxes, to share its host data with the city.

HomeAway agreed to share its host data directly with the Revenue Division, to help with compliance — but only when Airbnb agreed to do the same, according to the findings included with the draft ordinance.

“The delay in getting an agreement from Airbnb has rendered meaningless the agreement Revenue already has with HomeAway, and compliance rates remain very low,” wrote Thomas Lannom, Portland's Revenue director.