

Homes & Gardens

An airy addition lets a wine-country home breathe



Washington limps into the NAAs, plus other news and notes, SPORTS, D1

THURSDAY
MARCH 16, 2006

The Oregonian

SUNRISE
EDITION

PORTLAND, OREGON

VOICE OF THE NORTHWEST SINCE 1850

50¢

Strategy for U.S. puts Iran on notice

Goals | A near final draft reaffirms pre-emptive strikes, cautions China and Russia, and is silent on North Korea

By DAVID E. SANGER
NEW YORK TIMES NEWS SERVICE

WASHINGTON — An updated version of the national security strategy, required by law every four years, gives no ground on the decision to order a pre-emptive attack on Iraq in 2003, and it identifies Iran as the country likely to present the single greatest future challenge to the United States.

The Bush administration's strategy document declares that U.S.-led diplomacy to halt Iran's program to enrich nuclear fuel "must succeed if confrontation is to be avoided," according to a near final draft of the document. But it carefully avoids spelling out what steps the United States might take if diplomacy fails, and it makes no such direct threat of confrontation with North Korea, a country that boasts that it has developed nuclear weapons.

When asked about the omission in an interview on Wednesday, Stephen Hadley, the president's national security adviser and the new report's principal author, said "the sentence applies to both Iran and North Korea."

The 48-page draft of the new "National Security Strategy of the United States," which was released by the White House in advance of a formal

Please see **STRATEGY**, Page A3

Allen prepares for possibility he won't own Trail Blazers

Franchise | The billionaire's representatives talk with city leaders about keeping the team in Portland

By MIKE TOKITO
and ANNA GRIFFIN
THE OREGONIAN

As halftime entertainment blared in Continental Airlines Arena, Paul Allen paused as he considered the question: Does he still want to be the owner of the Portland Trail Blazers?

"That certainly would be a great positive outcome," said Allen, who was in East Rutherford, N.J., on Wednesday night to watch the Blazers play the New Jersey Nets.

"But at this point, there are other outcomes that I have to be ready for, and that's tough. That's a tough thing because during this last period, facing the reality of the losses, realizing that we have to do something, and realizing there are outcomes here where someone else might be owning the team."

Allen's only previous public comments on the situation were in a written Q&A posted on the Blazers' Web site.

Allen has not attended a Blazers home game in months, nor has he met in person with local government officials to discuss the team's request for a public-private partnership. But he was in New Jersey watching the team a few hours after his

Please see **TRAIL BLAZERS**, Page A4

11 of 85
Schools would close

18
K-5 schools would become K-8s

9
Middle schools would become K-8s

3 of 4
Students would be affected in the district

Schools draft major overhaul

Campuses would close or morph, boundaries would shift in Portland's tentative plan

By PAIGE PARKER
and SCOTT LEARN
THE OREGONIAN

A draft school closure plan from Portland Public Schools outlines the largest restructuring in the district's history, including shuttering 11 elementary schools in the next two years and shifting 27 elementary and middle schools to a K-8 model.

The Oregonian on Wednesday was given a copy of a 77-slide Power Point presentation outlining the plan. District

leaders warned that the plan was only a draft. Superintendent Vicki Phillips said the draft is one of "several scenarios" the district is studying. She's scheduled to make her proposal to the board April 4 after a series of public hearings.

"Even I haven't said I can live with this," Phillips said. "We don't know how close it is to exactly what I'll propose in April because we still have community meetings, we still have some thinking to do and we still have some questions about pieces of it."

District staff have begun briefing individual board members on the proposal. Board co-chairman David Wynde said it was "premature" to comment on it.

Falling enrollment and expiration of the Multnomah County income tax have driven the district to consider school closures. The district is looking for \$24 million in cuts to a \$389 million budget next year.

Phillips has said that closures could both save money and improve education, increasing music, gym and art of-

ferings, for example. The K-8 model means fewer transitions for students, the presentation says, and better use of space. Parent feedback indicates a preference for K-8 over grades 6-8 middle schools, the district says.

The school closures would get the district at best \$4.4 million in cuts and, if history repeats, generate emotional turmoil for thousands of parents. But district leaders say they're seeking long-term stability and the best use of old

Please see **SCHOOLS**, Page A6

» Online: To read the draft presentation on school closures, go to www.oregonlive.com



BENJAMIN BRINK/THE OREGONIAN/FILE

Humboldt Elementary School, 4915 N. Gantenbein St., is among 11 Portland elementary schools slated for closure under a draft proposal by Portland Public Schools.

Oversight to anchor tram cost never in picture

Analysis | The project's problems can be traced to failures, not the public-private partnership process itself

By RYAN FRANK
and ANNA GRIFFIN
THE OREGONIAN

When Portland's City Council set out in 2002 to build an aerial tram between Oregon Health & Science University and South Waterfront, then-Mayor Vera Katz pushed for a postcard-pretty design to bind the city's largest employer to its newest neighborhood.

She didn't consider it her job to watch the budget. Unfortunately, no one else at City Hall did either.

The tram's price has more than tripled

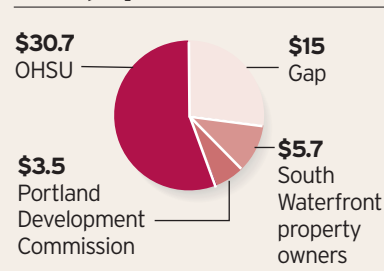
to \$55 million, and construction crews have fallen nearly a year behind schedule. Public confidence in the project — and in city government has dropped far more steeply than the tram will when it ferries the first passengers later this year, recent polls show.

Current and former City Council members say they're not to blame. In a purely semantic sense, they're right: The tram is the product of a public-private partnership in which city leaders ceded design and construction work to a non-profit board led by developers, OHSU administrators and citizens.

Such pairings form the backbone of Portland development, and have been used to create such landmarks as the Streetcar and Pioneer Courthouse Square.

Who pays

In millions of dollars



MICHAEL MODE/THE OREGONIAN

But this time, people on both sides agree, the system broke down. By the time bad news of skyrocketing prices reached City Hall, the tram was a done deal. Nobody waved the red flag that

might have kept a neat idea from morphing into a public relations disaster because nobody within the tram management team took on the job of keeping the council informed.

And nobody on the City Council, which will meet today to debate the future of the tram, considered it his job to stay informed.

The City Council had three alternatives when the aerial tram hit desks four years ago: Let OHSU and South Waterfront developers handle things. Pay for and build a tram themselves. Craft a public-private compromise.

The first two options wouldn't work. City leaders were anxious to keep OHSU from expanding in Hillsboro rather than Portland. They also knew taxpayers

Please see **AERIAL TRAM**, Page A5

WEATHER

Windy with rain
High: **50**
Low: **40**
For complete weather, see **B6**

INDEX

| | |
|-------------------------------|---------------------------------|
| Business B1 | Living E1 |
| Classified index C12 | Metro C1 |
| Comics E6 | Movies E5 |
| Crossword E6 | Obituaries C10 |
| Crossword NYT C19 | Sports D1 |
| Editorial C6 | Television E4 |
| Homes&Gardens H&G1 | Weather B6 |

Copyright © 2006 Oregonian Publishing Co.
Vol. 154, No. 52,250; 92 pages



ONLINE AT
WWW.OREGONLIVE.COM

Saddam uses trial to urge war on U.S.

Iraq | The ousted president goes on a rant instead of addressing the issues of his case

By EDWARD WONG
NEW YORK TIMES NEWS SERVICE

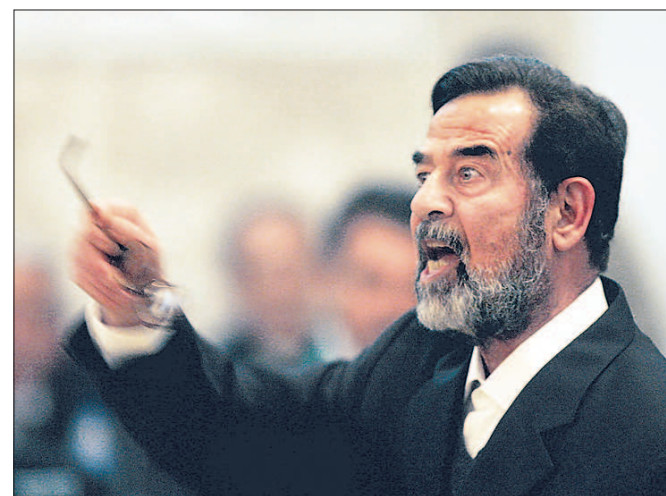
BAGHDAD — Saddam Hussein took the witness stand Wednesday for his first formal testimony in his trial and delivered an incendiary political diatribe that urged Iraqis to stop sectarian bloodshed and to carry on the war against the United States.

Inside

Divisions among Iraqi lawmakers suggested today's opening session of parliament may do little more than swear in members elected three months ago | **News Focus, A9**

Saddam's nearly 40-minute speech was the most explosive element so far in a trial that has been punctuated by tirades from the defendants and searing testimony from victims. Saddam marched up to the defendants' lectern in the midafternoon, after his half brother

Please see **IRAQ**, Page A10



JACOB SILBERBERG/NEW YORK TIMES NEWS SERVICE

Saddam Hussein urges Iraqis to fight U.S. forces rather than one another during his trial on charges related to killings in Dujail on Wednesday in a Baghdad courtroom.