→ Agenda Item 153

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**REGULAR AGENDA** 

### AMEND TIMELINE FOR PLACARD REQUIREMENT & TENANT NOTIFICATION FOR URM BUILDINGS

IF YOU WISH TO SPEAK TO CITY COUNCIL, PRINT YOUR NAME, ADDRESS, AND EMAIL.

NAME (PRINT) ADDRESS AND ZIP CODE (Optional) Email (Optional) Charles BridgecrAne JOHNSON RCIONESEHJUThorne KOGEr C. JONES 2936 SE TAYLOV St Valt Memories 601 Su Second Ave H 2100 Methonus W @ [come Powell. Com Lishtwing Super Humally Angie Margine 950 E.D. Mondenai VIK SAVARA VIKSavara egnail. com Christe White Kippa Arend 4604 SE BOISE St. 97206 EASTMAN wm.a. Cartman@ad.com Date 02-20-19 Page 1 of Z

Agenda Item 153

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**REGULAR AGENDA** 

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NAME (PRINT) ADDRESS AND ZIP CODE (Optional) Email (Optional) Neava Mc Laughlm Barbara Bushell I'M EVEN Mark Stromme 5 OHI SMITH Cassendra Banton ARCUS TRUIN G

Date 02-20-19

Page 2 of 2

### Moore-Love, Karla

Linda Nettekoven <linda@lnettekoven.com></linda@lnettekoven.com>
Tuesday, February 26, 2019 3:14 PM
Wheeler, Mayor; Commissioner Fish; Commissioner Fritz; Commissioner Eudaly;
Commissioner Hardesty
Council Clerk – Testimony
URMs/ Item # 182

189399

Dear Mayor and City Council Members,

Please adopt Measure #182 before you this Wednesday (February 27). Do not require placarding of unreinforced masonry buildings here in Portland until you have convened and appropriately populated the URM Work Group you are currently advertising and allowed it do the work you have laid out for it. In the interim the City must be able to do the following:

\* Create an updated, accurate list of vulnerable buildings with a mechanism for automatically recording any upgrades that are (or already have been) made by building owners, along with any steps that still need to be completed.

\* As part of creating an accurate list, effectively contact and educate those on the current list about their responsibilities and any access to resources or other relevant information.

\* Assess the difficulties building owners are experiencing in obtaining financing to do any part of the seismic upgrades required for their buildings. I have been told by lenders the listing itself has made it more difficult, some now say impossible, to draw on building equity or other loan instruments to do a first stage of required upgrades.

\* Make certain the soon to be established URM Work Group includes high level financial expertise or create a Finance Subcommittee of the Work Group to explore and recommend viable strategies for addressing the financial burden of the upgrades facing property owners, whether they be nonprofit groups or private parties. Look for ways to leverage multiple wins with incentives tied to providing "more affordable" housing, increasing the "green score" of a property, finding a higher order, adaptive reuse for a historic building, etc.

\* Develop a sequenced pathway with milestones for seismic upgrade requirements including appropriate timeline requirements that takes into account the size & use of the building (one story versus 3 or 4) and share it with building owners.

\* Determine what amount of funding (however small) will be available, due to current state legislative efforts, and how it might support nonprofit building owners. Explore existing and potential incentives for historic preservation and have someone calculate the value of maintaining "more affordable" housing and lower cost retail spaces, etc.

I'm assuming of course that BOEM and the URM Work Group will continue to emphasize equity and inclusion in doing their work on these issues. It has raised alarms in some quarters when people have noticed the number of URMs located within designated Opportunity Zones.

For the record, I have no ownership interest in any URM nor in any local business. However, I have attended 2 (sometimes 3) monthly, business association meetings for the past nearly 20 years representing my neighborhood association. I have watched those districts in my area gentrify and am acutely aware of what the loss of URMs on those corridors would mean to both the historic fabric and the identity of those districts (think Travel Portland) as well, more importantly, to rental costs for residents and small businesses in those areas. There has to be a way to move forward

steadily in addressing life safety concerns without the loss of irreplaceable, affordable space, significant decreases in property values and the erasure of yet more of Portland's past.

Thank you for your sincere concern and hard work on this very complicated issue.

Sincerely,

Linda Nettekoven

### **McClymont**, Keelan

From:	Matt W <mattheweaglewebber@gmail.com></mattheweaglewebber@gmail.com>
Sent:	Tuesday, February 26, 2019 10:07 AM
То:	Council Clerk – Testimony
Subject:	URM Placards & Notices

Dear Mayor Wheeler and Councilpersons,

I'd like the thank you for your consideration on postponing the URM placard signs and retrofitting efforts. As an owner in a URM, there has been confusion, anxiety, and in a few cases - owners in our building selling and/or listing their apartments due to fear of what may happen. Everyone in our building received at least one notice. I received 3 notices in the mail - one for my parking space, my storage unit, and my apartment itself.

I feel that Portland can do an adequate job by simply educating URM owners/renters rather than mandating signs.

Please consider the dramatic effect this would have on people, homeowners, businesses, churches, and more.

In gratitude,

Matt Webber

2083 NW Johnson St, #56

Portland, OR 97209

503-367-3098

### Moore-Love, Karla

From: Sent: To: Subject: Attachments: Jennings, Gayla Friday, February 22, 2019 1:38 PM Council Clerk – Testimony FW: Placarding Ordinance/Testimony Testimony.pdf

Good afternoon, Council Clerk,

This testimony was received by Auditor Hull Caballero for what appears to be next Wednesday's agenda item 182. I'm not sure if you received a separate email from Akemi – my apologies if this a duplicate.

Thank you!

Gayla Jennings

Deputy Auditor | Office of the City Auditor City of Portland, Oregon Phone (503) 823-3560

From: Migaki, Akemi < MigakiA@LanePowell.com>
Sent: Thursday, February 21, 2019 4:29 PM
To: Commissioner Hardesty <joann@portlandoregon.gov>; Commissioner Fish <nick@portlandoregon.gov>;
Commissioner Fritz <amanda@portlandoregon.gov>; Commissioner Eudaly <chloe@portlandoregon.gov>; City Auditor, Mary Hull Caballero <AuditorHullCaballero@portlandoregon.gov>
Cc: McMonies, Walter W. <McMoniesW@LanePowell.com>
Subject: Placarding Ordinance/Testimony

Good afternoon,

Please see attached for the Testimony of Walt McMonies regarding the Placarding issue. Thank you.



AKEMI MIGAKI Legal Assistant migakia@lanepowell.com D 503.778.2232 LANEPOWELL.COM

This message is private or privileged. If you are not the person for whom this message is intended, please delete it and notify me immediately, and please do not copy or send this message to anyone else.

### Testimony of Walt McMonies re: Commissioner J. Hardesty's Amendments to the Placarding Ordinance

My office address is 601 SW Second Avenue, 21st Floor. I am a retired real estate attorney and apartment owner. From about 2014 through 2017 I served on City URM Taskforce Finance and Policy Committees. I currently serve on OSSPAC (State Seismic Safety Policy Advisory Commission).

1. **Safety First Not Only.** Building owners I know agree with City Council that the safety of building occupants and passersby should be the top priority of URM policy in Portland. But limiting injury to tenants and the general public should not be the sole purpose of seismic retrofitting. URM buildings do more than provide a thousands of apartment units and thousands of square feet of commercial, office and warehouse space. They fill the market niche between affordable and new-construction market rate housing. They also provide much of the neighborhood commercial space in neighborhoods in inner SE and NE and NW. Finally, URMs are often contributing properties in historic districts or standalone historic properties, and preserving historic and aesthetically important buildings should be a priority.

2. **Regulation Should be Flexible.** Given the high cost of seismic upgrades (see below), any mandated URM upgrades under City Code 24-85 should prioritize the most cost effective work, e.g. parapet wall reinforcement, roof diaphragm stiffening, floor joist to bearing wall attachment etc. Further, work on historic structures must necessarily avoid as much as possible unaesthetic "moment frames" and tearing up floors to achieve floor diaphragm strengthening.

3. Not M 9.2 but M 6.8. Only the most extreme "Deny-ers" deny that a Cascadia subduction quake is likely to strike in the next 50 years. However, some BDS staff were as recently as late January, 2019, unaware of that DOGAMI's recent (2018) "Earthquake Regional Impacts Analysis" of the Portland Metro area which concludes that a M 6.8 Portland Hills crustal fault quake would produce more damage in Portland than a M 9.0 Cascadia quake. This is important as it argues for somewhat less substantial seismic upgrades.

4. **Transparency is laudable.** But it isn't transparency to placarding a 1928 "bricker" as a URM based on a Rapid Visual Screening (drive by) in 1993 or to refuse to admit that a URM which has been substantially and voluntarily upgraded at a cost of \$1.2 million is no longer a URM just because the upgrade does not strictly adhere to ASCE 41-17 requirements.

5. **Chilling Effect.** Placarding a building as a dangerous URM will chill rentals and leasing, will make refinancing more difficult and strain the owner's ability to get EQ insurance. Recording an Agreement to the effect that a building is an URM is unnecessary and seemingly vindictive.

6. **Enormous Cost.** The cost of seismically upgrading is enormous: at the least \$35 a square foot for "collapse risk reduction" as recommended by the URM Taskforce's Policy Committee in December 2017 or \$70 a foot for "life safety" as recommended by BDS staff. That's \$2.8 million for a 40 unit apartment building. Faced with these costs owners will need years to upgrade and help in the form of an property tax abatement (SB 311 in the 2017 Legislature) and a seismic upgrade income tax credit (state) Respectfully, Walt McMonies

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### **To Portland City Council Commissioners:**

#### From: Tom Dyke, Barnes H. Ellis, Mitch Bixby, Teri K. Martin, Rob Fullmer

#### Re: "Ordinance; amend Code Section 24.85.065"

to be considered at the February 20, 2019 Council Meeting

We are writing to oppose an amendment which delays the posting of seismic safety warning placards, and weakens compliance requirements, on URM buildings. We believe the safety information is critical for occupants of URM buildings to have so that they can make their own, informed decisions – potentially life saving decisions. The proposed amendment to Section 24.85.065 should not be passed.

We see nothing in the various processes to take place in the next year that will materially affect the current danger that occupants of URM buildings face. So while the work to provide financial assistance in retrofitting URMs to current life safety standards goes on, not to mention actual retrofitting later, we believe it is not ethically defensible to keep safety information from URM occupants in the meantime. The equity and displacement issues raised are important and valid concerns. These concerns can and should be addressed in the existing year long process going forward.

In addition, we oppose the weakening and apparent elimination of compliance requirements also contained in the proposed amendment. The amendment eliminates the requirement to notify existing tenants, in writing, of the URM character of their building and consequent seismic safety warning. The amended section E appears to weaken the recording of any compliance to the edge of non-existence.

We urge you to vote against the amendment proposed for Code Section 24.85.065 to be discussed at the Council meeting on February 20. We have attached below testimony that was submitted in favor of the original URM ordinance last summer, on behalf of the Portland City Club. This presents the arguments in favor of the URM ordinance passed last year as outlined by members of the City Club Earthquake Resilience Advocacy Committee. We have followed this issue as members of this committee, but please note that this testimony is not an official position of the Portland City Club.

### Testimony submitted last year supporting the URM ordinance:

To Portland City Council Commissioners:

From: Tom Dyke, Rob Fullmer, Kevin Glenn City Club Earthquake Resilience Advocacy Committee

### **Testimony for the City Council June 13 Meeting**

On behalf of the 2000 members of the City Club of Portland, we are writing to you to voice our support for the retrofitting recommendations of the URM Policy Committee introduced by PBEM at the May 9 Council meeting and as amended by Mayor Wheeler at that meeting.

The need to protect the lives of Portland area citizens in the case of a major earthquake demands that we take action to shore up buildings constructed before the dangers of great Cascadia subduction zone earthquakes were understood. These dangers are now well understood with at least a 14-20% chance of a magnitude 9+ great Cascadia Subduction Zone earthquake in the next 50 years. Secondly, financial assistance programs are crucial to incentivize building owners in carrying out the retrofits so that this important sector of our housing supply will be maintained and continued in the Portland area housing supply.

The original resolution drafted by PBEM for the May 9 meeting, and as amended at that meeting by the Mayor, provides the most practical framework to achieve these goals. The necessity of retrofitting to save lives was compellingly supported in the opening testimony at the May 9 Council meeting and in the City Club research report. We do agree that further work is necessary to map out the financing of retrofitting the URM's under consideration. The four year URM study undertaken by PBEM was an excellent example of multi-stakeholder citizen engagement aimed at complex policy development, and we supported the original proposal presented to Council on May 9. However, after subsequent consideration of the Mayor's amendment, we do agree that additional work is needed to ensure that good financing options are available to building owners, since it is important that the URM building stock be maintained in the face of a housing supply crunch in the Portland area. We note that about 6,000 units of residential housing are in URMs, including about 1,800 publicly financed affordable units.

In the spring of 2016, the City Club of Portland commissioned a committee of its members to study earthquake resilience in Portland and the surrounding region. Over a nine month period, the committee interviewed over 80 scientists, engineers, building owners, and government officials. The committee reviewed over 100 scholarly articles and scientific reports, policy

papers, legislation, and popular articles. The resulting report "*Big Steps Before the Big One: How the Portland area can bounce back after a major earthquake*" and its recommendations were approved in February of 2017 by a 98% yes vote by the membership of City Club [http://www.pdxcityclub.org/earthquake].

189399

The research committee recommended that Portland should adopt the mandatory URM retrofit policy being developed by the City-led committees at that time and that a multi-stakeholder collaborative process should develop a range of incentives to assist property owners in retrofitting. An additional recommendation was to allow local governments to grant property tax exemptions to offset retrofitting costs for seismic improvement, which was subsequently passed into law as SB 311 by the Oregon Legislature. These recommendation along with thirteen others were passed by City Club membership, and our "Advocacy Committee" formed to work for enacting the recommendations. As mentioned above, we believe the current URM proposal before council, as amended by Mayor Wheeler, is the most practical way forward to enact the heart of the City Club recommendation on URM retrofitting.

The City Club of Portland and its 2,000 members support the passage of the mandatory URM retrofitting policy before the Council at its June 13 meeting. We support the amendment by Mayor Wheeler to form a multi-stakeholder group to better understand and to allow the development of the financial incentives necessary to achieve the desired level of retrofitting so that this sector of our housing stock is maintained and made safe.

### **McClymont**, Keelan

From:	CPPPAH . <cpppah@gmail.com></cpppah@gmail.com>
Sent:	Wednesday, February 20, 2019 12:42 AM
То:	Council Clerk – Testimony
Subject:	Written testimony - 2-20-19 Agenda Item # 153 (amend URM Placarding Ord.)
Attachments:	PDX NAACP URM Coalition-REPEAL.pdf

To whom it may concern,

I would like to submit the following document for the record. I will be testifying at City Council today as well and would like this packet of information to be entered into the public record so that I may also make reference to it in my oral testimony.

Thank you,

MK Hanson Co-Director Coalition to Prioritize, Protect, and Preserve Affordable Housing CPPPAH



Coalition to Prioritize, Protect, and Preserve Affordable Housing

# PORTLAND NAACF 1909 NAACP UNREINFORCED MASONRY COALITION





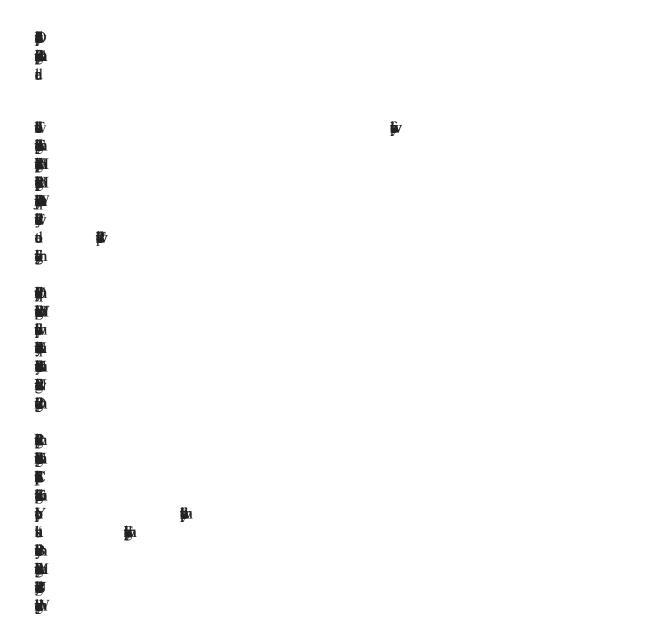




**CPPP** 

Coalition to Prioritize, Protect, and Preserve Affordable Housing





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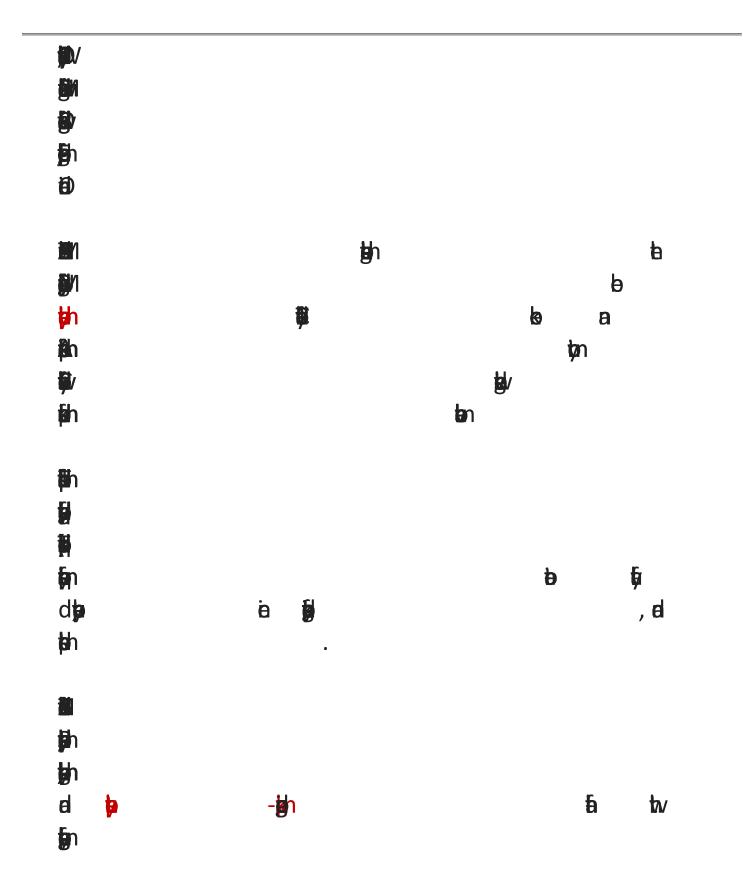
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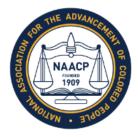


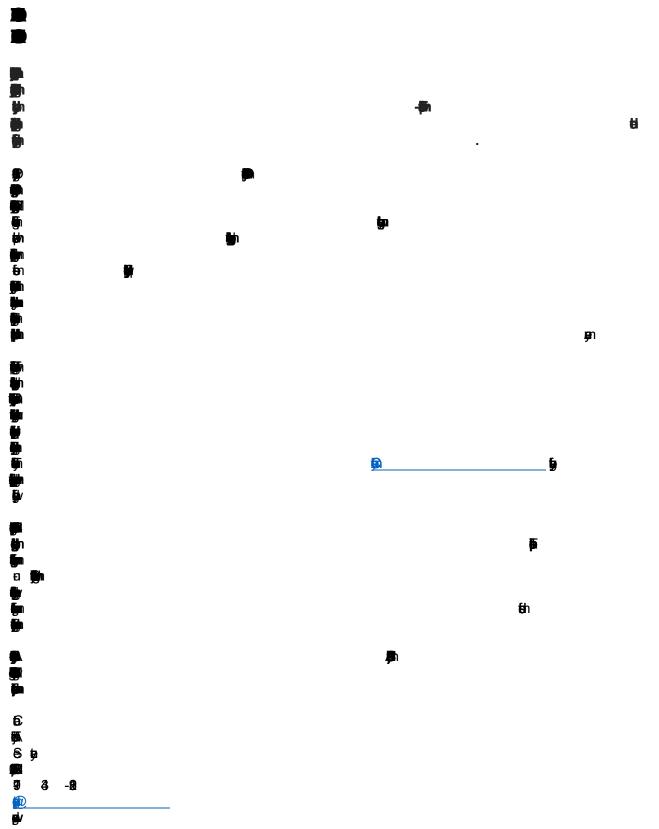




### **Coalition Call for Repeal**







And No.

# Video Press Conference



1-5-19 Portland NAACP PressConference - FULL

## PORTLAND ADVA NAACP FOUNDED NAACP URM PLACARDING CALL FOR REPEAL ENDORSEMENTS











### Statement on Unreinforced Masonry (URM) Ordinance, by Restore Oregon, the Architectural Heritage Center, the Portland Coalition for Historic Resources, and Others Committed to Historic Preservation in Our Community

We strongly support the Portland NAACP, Save Portland Buildings, MusicPortland, Portland Tenants United, Portland Assembly, CPPPAH, and other community groups calling for the City of Portland to suspend the October 10, 2018 Unreinforced Masonry (URM) ordinance and the December 14, 2018 Bureau of Development Services requirement of a hazard placard, deed title encumbrance, and compulsory agreement.

We join in the call for the city's URM discussion to engage with all impacted community members to seek an inclusive, transparent, practical and fair solution with broad community and financial support.

Portland's older masonry buildings are an important part of the cultural and architectural fabric of our city, and the communities and neighborhoods that depend on these buildings as places to work, perform, worship and live affordably. They are cornerstones of our community.

We believe that the right URM solution is positive, not punitive, and must combine appropriate seismic upgrades over a practical timeframe with robust and accessible financial assistance. It must promote preservation, not demolition, so these buildings can continue to serve all of Portland's communities. It must not force the abandonment, and sale of these buildings or the displacement and dispossession of Portland's vulnerable communities who rely upon them.



Peggy Moretti Restore Oregon www.RestoreOregon.org



Stephanie Whitlock Architectural Heritage Center www.VisitAHC.org



John Liu Portland Coalition for Historic Resources



February 13, 2019

The Hon. Ted Wheeler, Mayor of Portland Commissioner Chloe Eudlay Commissioner Nick Fish Commissioner Amanda Fritz Commissioner Jo Ann Hardesty

Dear Portland City Council:

On Thursday, February 7, 2019, at its regularly scheduled monthly meeting, with a quorum present, the Board of Directors of the Irvington Community Association (ICA) approved a resolution from the ICA land use committee to join the NAACP and other community organizations in their quest to repeal the October 2018 ordinance regarding commercial unreinforced masonry buildings (URM) for three important reasons.

First, the survey map and its origination is significantly flawed. In all, about 1,500 buildings in Portland allegedly with unreinforced masonry are affected by the ordinance, including many churches and other public buildings. Approximately 533 URM commercial buildings are historic landmarks, contributing resources in historic districts, contributing resources in conservation districts, and listed on the historic resources inventory. Some of the URM buildings are older apartment buildings located in existing historic districts, including the Invington Historic District (IHD). These apartment buildings likely provide housing which is more affordable than the apartments being built and occupied today.

There are many unintended consequences resulting from the City policy on URMs, but one of the worst and least remarked is how completely flawed the City's database of URMs actually is. On the map, the dark red buildings are supposedly URMs which have not been reinforced. The blue buildings are URMs where some kind of reinforcing has been done -- but the City has not defined the criteria or extent of that reinforcing and whether or not it is really adequate to protect the inhabitants.

The City has done no engineering review of these buildings and the selection of such buildings has been largely the result of a "drive-by" survey. The form for this drive by action was appropriately called "Rapid Visual Screening for Seismically Sensitive Buildings." The BDS database disclaimer says it all:

### "Important Disclaimers

The City of Portland makes no representations, expressed or implied as to the accuracy of this database. There are no assurances as to whether the information presented is correct or comprehensive. "The presence of a building in this database is not a predictor of its performance in a seismic event. Many factors contribute to building damage during seismic events. Some, but not all, causes include: the size and location of the seismic event; local soils upon which the building is founded; the shape of the building; the design of the building; the construction quality; and if the building has been

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structurally modified. The services of a licensed professional engineer are needed to determine the capacity of a building to resist seismic loads.

"Any publication or distribution that is made of this information or any conclusions drawn from this information should be made with the limitations noted above in mind. **Any publication or distribution of this information would be solely at your own risk**."

Go to https://www.portlandoregon.gov/bds/70767 for the BDS disclaimer. (Emphasis has been added.)

A review of the City's URM database shows only 7% are four stories or more in height -- the most risky of all URMs -- and a majority are single-story, which pose relatively low threats. For the City to use this flawed and disclaimed database as the basis for demanding signage alerting occupants of great risk, changing leases, recording agreements, and setting up draconlan penaltles for violations is unbelievable.

Second, is the significant negative effects of the ordinance and the recorded agreement required by the ordinance on the use, value, and financing potential of such buildings, even making the financing of retrofit costs difficult if not unavailable.

Recent newspaper articles, such as the *Northwest Examiner*, have reviewed prior work done by committees and discussed this with lender representatives. The *Northwest Examiner* article pointed out that "Institutional lenders and federal programs won't lend on buildings that have not been retrofitted. Most national and regional banks will only lend on retrofitted buildings (to code) and finance retrofits with strongest borrowers," was the word from its subcommittee.

Last year, a Portland bank manager contacted "a few of the larger banks in the area" and found most indicated "URMs need to be remedied prior to financing."

Loans to finance retrofit work "are traditionally difficult to qualify for, and I was told they've had no success thus far with URMs."

The Northwest Examiner article concluded that "URM building owners trying to sell their properties may be limited to cash deals because their collateral -- a structure costing more to retrofit than it's worth -- will not qualify for a mortgage. Cash-only deals will be no obstacle for big development companies interested only in the land value. Many of the 100-year-old brick apartment buildings -- the city's greatest reservoir of affordable housing -- will be razed for new high-rises." See the Northwest Examiner for February 2019.

Third, is the possible demolition of existing affordable housing.

### The Southwest Examiner reported that:

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"Save Portland Buildings founder Angie Even says the value of her Woodstock property has plummeted making selsmic retrofit impossible. 'We can't get loans or refinancing. The City has said if you can't afford to fix your building, you have to sell or demolish. That means I would have to kick everyone out. On one side, (the city) said it would help with incremental retrofits. On the other, you can't clear title.'

"Warning of 'blight and zombie' buildings, Even calls the policy regressive redlining that hits the poor and vulnerable hardest. She warns that it will shrink Portland's last stronghold of affordable rentals." (Emphasis added.)

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Restore Oregon says that the right "URM solution is positive, not punitive, and must combine appropriate seismic upgrades over a practical timeframe with robust and accessible financial assistance. Such solutions promote preservation, not demolition, so these buildings can continue to serve all of Portland's communities. It must not force the abandonment and sale of these buildings or the displacement and dispossession of Portland's vulnerable communities who rely upon them." We agree.

The ICA says repeal the URM ordinance now and start over.

February 13, 2019 Irvington Community Association

Robert . Not

By: Robert Dobrich, President

1 2 3 3 1 M 1 1 1

ICA Land Use Committee

Gisvold

By: Dean Gisvold, Chair

COALITION MEMBERS **SOLIDARITY &** SUPPORT **STATEMENTS** 



January 7, 2019

To whom it may concern,

MusicPortland and its membership supports fair and reasonable approaches to make all structures in Portland safer. We demand reversal of the counterproductive placarding ordinance. The policy threatens 1600 structures including more than 30 music venues and community centers, making seismic improvements more difficult, if not impossible.

This ordinance is a threat to music venues and creative spaces including Crystal Ballroom, Bossanova Ballroom, Dante's, Dig A Pony, Dixie Tavern, Ethos, Portland, Keller Auditorium, Kells Irish Restaurant & Pub, Kelly's Olympian, LaurelThirst Public House, The Liquor Store, Los Prados Event Hall, Moon and Sixpence, Norse Hall, O'Connor's Cafe and Bar, Polaris Hall, The Waypost, World Famous Kenton Club, Vino Veritas Wine Bar + Bottle Shop, The White Eagle, Wilfs Restaurant & Bar and many more!

Music is the heart of Portland and these spaces are our secular churches. These venues represent more than 30% of all shows in the area each month and their loss would be a huge blow to the entire local music ecosystem and Portland's cache as a music city.

The placarding ordinance does not improve safety. It makes upgrades impossible and leaves these local places subject to homogeneous development. Let's return to the original intent of making all structures in Portland safer for our citizens. Let the committee do the job that the elected commission set them to and include the people that are impacted to find workable solutions and creative ways to pay.

This moment is contentious but it does not need to be. We are all aligned around making our city safer. Placarding fails on every level to support this goal.

Sincerely,

Meara McLaughlin Executive Director V: 503-320-5462 E: meara@musicportland.org



January 8, 2019

Portland Assembly declares itself in solidarity and coalition with the community organizations, led by the NAACP, who call on city council to halt implementation of proposed changes to the existing URM policies.

Under the guise of concern for public safety, this plan would open large swaths of Portland's middle and low-income communities to exploitative development interests. This is a glaring example of disaster capitalism. Inflammatory articles about "The Big One" resurface every couple of years and are used to drive whatever narrative serves gentrification. Yet steps like education, community resources, or equipment to shut off gas mains never seem to be on the agenda, despite the fact that fire will be the biggest danger after any major earthquake. Safety improvements for our schools are delayed indefinitely and instead, profit-generating demolition is incentivized.

The policy is white supremacist in effect, echoing as it does Portland's patterns of exclusion, red-lining, blight, and displacement. It targets the last remaining cornerstones of Portland's once predominantly Black neighborhoods.

It is our opinion that public money should be levied and used to promote public safety. Public bonds are a method that has been used consistently by municipalities which recognize a need for seismic retrofitting. Without fair disbursement of public funds, only vanity projects will remain. With such policies the city landscape will be dominated by buildings owned by the rich, by the city, and those bought by developers who can afford to make a profit under the new system. We will lose institutions that have long belonged to black and poor communities: churches, schools, community organizations, and what remains of affordable housing.

The city is disingenuous when it reduces the conversation to a matter of signage. If it were merely signs, these businesses and community spaces, **already in compliance with existing codes**, wouldn't have an issue. Not only do these placards signify much more to the greedy developers who bleed our communities dry of agency, of mobility, and of culture; with the placard comes an encumbrance on the property and a spectre of fear in the mind of the public.

This encumbrance makes it nearly impossible for the owners of these buildings to get loans needed to make required upgrades, and this makes them easy prey for people with deep pockets and a deeper disregard for existing community.

This policy change, based on an unprofessional assessment of Portland's buildings as well as flagrantly ignoring all recommendations of a city-funded study, is very clearly meant to serve the ends of companies like Blackstone and the other developers who are so friendly with our city leaders. So friendly, in fact, that their voices consistently seem to drown out the voices of the people.

We call upon the city to stop this process and engage the community it will most impact, rather than continuing to pander to the people and parties which stand to make the most money.

### PORTLAND TENANTS UNITED

The Organizing Committee of Portland Tenants United stands in support of and in solidarity with Portland NAACP and coalition members.

We were distressed to learn of a new tool for displacement of historic Black community spaces through deed restriction encumbrances in the City's placarding URM ordinance compliance agreement. These encumbrances would create a mechanism for forcing owners of lower-rent properties to sell to the big developers who are already using building renovations as an excuse for mass displacement. Even more distressing, this provision was incorporated without knowledge or consent of renters or communities of color. In a city already suffering from racist mass displacement and gentrification, such a policy can only be seen as continuing the legacy of discrimination and intentional displacement of Portland's Black community. The displacement it causes will also harm tenants of all races, particularly the elderly and low-income renters who the URM project was supposedly created to keep safe, while other incremental and more cost-effective seismic upgrades have gone unenforced by the City when triggered by provisions of the current code.

We demand that the City swiftly remedy this impending harm and engage tenants and communities of color in finding a truly equitable solution.



January 8, 2019

### Statement of Support and Solidarity with NAACP Coalition URM Call to Action

CPPPAH (pron-SEE-PAW) stands with the Portland NAACP in solidarity and to build a broader coalition of support in demanding the repeal of the placarding ordinance since it is now fouled by illegitimacy, and to stop, and restart the policy-making process over by actively engaging (not just notifying) marginalized communities and those who are most acutely and disproportionately impacted by the issues all along the continuum: renters, communities of color, non-profit lessees, small business lessees, mom-and-pop housing providers, arts and entertainment venue lessees, local small businesses, etc. None of us had a seat at the table, most of us weren't even notified of the process.

### SAVE PORTLAND BUILDINGS

January 7, 2019

We join and support the call by the Portland Chapter of the NAACP to repeal the entire placard ordinance passed on October 10, 2018.

The ordinance is in direct conflict of the unanimous vote to not mandate involuntary placards by the city's advisory committee. The ordinance failed due process by not notifying affected parties. It had no support from the committee and was staff driven and lacks community input and support.

In addition, we ask that the process be stopped until all stakeholders can be brought to the table to find resolution to a flawed database and process that includes witnessed numerous unethical and dishonest tactics by city staff. These include the unilateral deletion by staff of other buildings from the project. These claims are documented through public record requests.

The public has lost all trust.

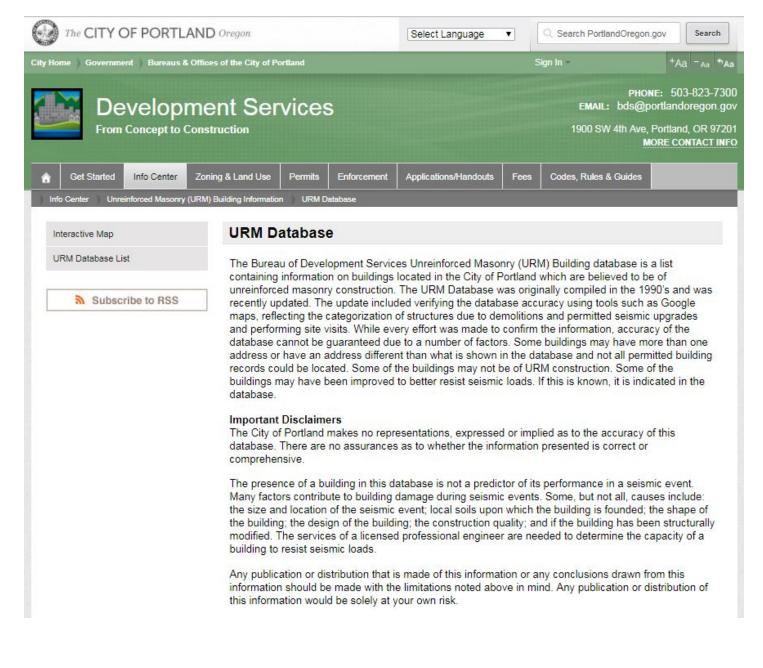
We ask for repeal of the full ordinance, to stop the process and to resolve grievances and issues by meeting with Save Portland Building leaders with the goal of rebuilding trust and an amicable path forward.

Portland can do better.

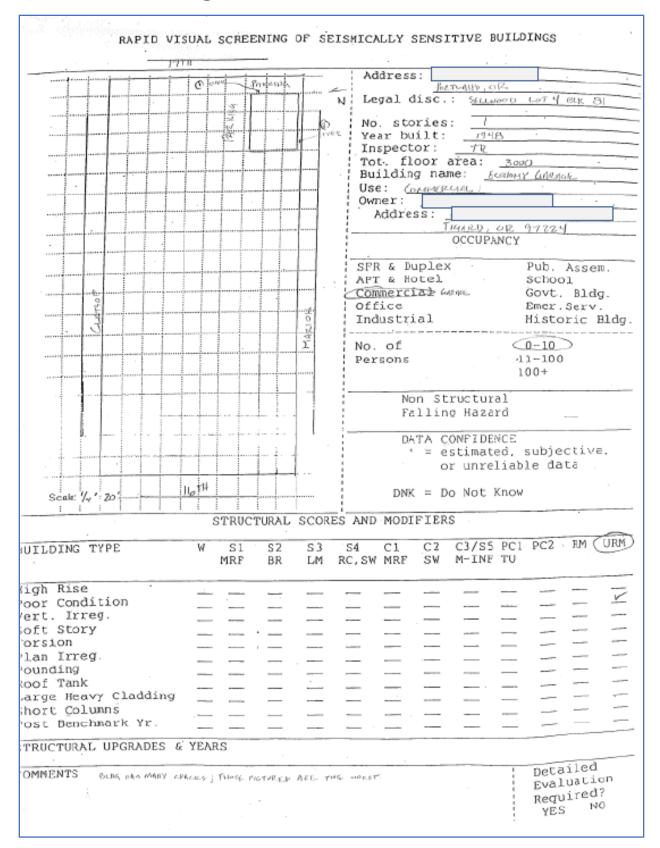
Respectfully,

Angle Even Speaking for Mom and Pop URM owners, condo owners and community members. **CITY'S URM** DATABASE UNVERIFIED UNSCIENTIFIC INACCURATE

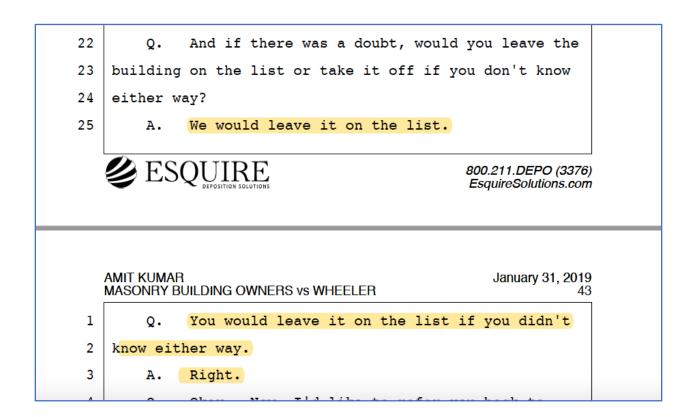
## The City's URM Database is accompanied by a lengthy disclaimer.



Most of the buildings on the City of Portland's URM database list were placed there through a "Rapid Visual Screening".

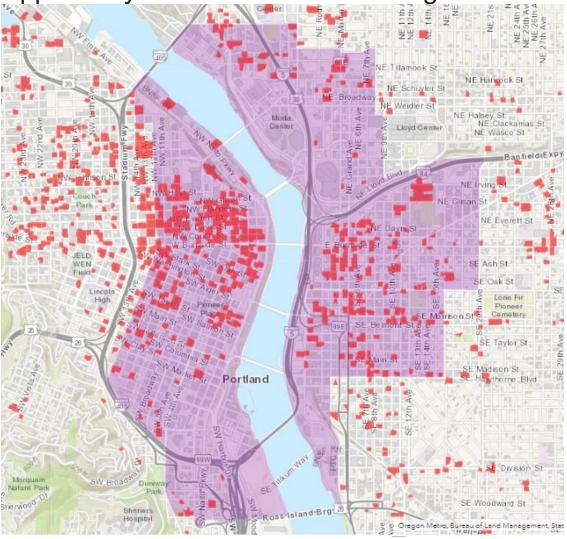


BDS Personnel in charge of updating the City's URM database (as well as enforcement of the ordinance) testified in a recent deposition hearing that if it was unknown whether a building was Unreinforced Masonry, it was placed on the list regardless.



# FEDERAL **"OPPORTUNITY** ZONES" URM DEVALUATION & PREDATORY REDEVELOPMENT

### Cross reference of Portland recently designated Opportunity Zones and URM buildings:



Qualified Opportunity Fund investments allow taxpayers to defer taxes on their gains until the end of 2026, but they get a step-up in basis only if they hold fund shares for at least five years—with larger step-up at seven years.

This means that in order to qualify for the *minimum* incentive to reduce (or eliminate) the tax owed in 2026 on deferred Capital Gains, time is of the essence and real estate investments must meet the following criteria:

A) new construction/demolition or

B) major renovations where the cost of repairs exceeds the value of the building

- and -

C) fully invested by the end of 2021.

### FEDERAL "OPPORTUNITY ZONE" TAX SHELTERS

Articles about the Op-Zones:

Developers Look to Hit Tax-Break 'Jackpot' in Opportunity Zones Billions pour into funds targeting low-income areas as Treasury lays down rules for who benefits

Goldman Sachs and others line up for fresh tax breaks

A New Tax Break for Poor Neighborhoods Could Benefit Luxury Developers

Opportunity Zones in West Coast tech hubs rank highest for gentrification risk in new study

"So many investors are expected to take advantage of the tax break and invest in these zones that it will cost the government \$7.7 billion between 2018 and 2022. The cost will shrink to \$1.6 billion over 10 years as deferred taxes are paid, according to the Joint Committee on Taxation."

This tax break for the poor is actually a big win for Goldman Sachs

Triple Play Tax Break: New Opportunity Zone Funds Cut Your Taxes Three Ways

### From the investor POV, Opportunity Zone funds proliferating

"Co-founder and CEO Ben Miller describes Fundrise as "Blackstone meets Amazon."

https://fundrise.com/opportunity-fund

### **Opportunity Zones and Portland**

Bloomberg Business Week - "Taxbreaklandia"

Oregon Goes Big on New Trump Tax Break

<u>CPA and shareholder at Geffen Mesher, reviews opportunity zones and explains all the tax</u> advantages, how Opportunity Funds "self-certify" with the IRS (fill out a form and file it annually), and other details.

Two more Opportunity Zone projects sized up for the Central Eastside

Vanessa Sturgeon and partners planning a \$285M tower in Portland - the result of a \$330 million Opportunity Zone Fund, the offering could be among the largest ever in Oregon.

Sortis Holdings Corp. a financial technology investment company that also offers advisory, fund management and lending services.launches \$100M Opportunity Zone Fund.

### Mayor Wheeler and Wall Street:

Prior to becoming Portland's Mayor, Ted Wheeler was the State Treasurer. While serving on the 5member Oregon Investment Council, he directed over <u>\$1 Billion</u> of Public Employee Retirement money to <u>Private Equity</u> funds, <u>the bulk of which</u> went into Blackstone Real Estate Opportunity funds. Blackstone is the creator of rent-backed mortgage securities. the world's largest private equity corporation, and Wall Street's biggest landlord.

### Clyde Holland/Holland Partner Group:

Here in Portland, Washington State billionaire Clyde Holland, CEO of Holland Partner Group, is an active <u>partner with Blackstone</u> - <u>together buying and selling</u> over 2 1/2 Billion dollars of multi-family real estate in the Portland area in just the last 2 years alone. Holland was Washington state's <u>largest contributor</u> to the Trump Victory fund and contributes millions each year at the <u>national</u> level and in <u>Washington</u> and <u>Oregon</u>. Holland also directs other PACs related to "<u>smart growth</u>". Both Clyde Holland and Holland Partner group are major donors to 1000 Friends of Oregon and Holland's Development Director, Mike Kingsella, <u>partners closely with Portland For Everyone</u> (a project of 1000 Friends that promotes market-rate redevelopment and hi-rise urban density). In California, Holland came <u>under scrutiny</u> by the local carpenters union for hiring subcontractors that do not meet prevailing wage and benefit provisions. And in Portland, one of Holland's luxury residential towers was featured in an article about <u>more Portland high-rise apartments rented as hotel rooms; many without required permits.</u>

### Other Billionaires of interest who seek to invest in waterfront hi-rise developments:

Another billionaire of interest is Nicolas Berggruen, a quasi-celebrity nicknamed the "<u>homeless</u> <u>billionaire</u>". He has formed a governance "think tank" (lobbying org) with a mission to develop "new ideas to shape political, economic and social institutions in an era of Great Transformations". Board members include some of the heaviest hitters in global finance, politics, and tech. Including Stephen Schwarzman, the CEO of Blackstone. <u>Berggruen also attends parties</u> with Schwarzman, Trump, and other elites. Berggruen and Blackstone are also <u>active business partners</u>.

His real estate and development company, NBP Capital, also has a sizeable Portland real estate portfolio and <u>wants to build hi-rises</u> along the waterfront. He also was selected for the <u>sweetheart deal on the</u> <u>purchase of the county courthouse</u> - at nearly \$12 million less than its appraised value and now rents it back to the county on a 2 year free lease while the new courthouse is under construction. Another prominent developer went on the record about how <u>NBP Capital was circumventing the normal process</u> and getting preferential and unprecedented access to City Hall. It was the Property Management division of his company (Templeton Property Management) that displaced so many tenants at once in 2015 that it prompted the #RenterSOS. <u>NBP Just purchased 3 more buildings in the Central East Side</u> and the purchase of the Sunshine Dairy Building was <u>announced the same week</u> along with plans to demolish and "vertically" redevelop.

### PLACARDING ORDINANCE TIMELINE

### **URM PLACARDING ORDINANCE TIMELINE**

**October 1** - Holland Partner Group makes a \$5,000 donation to Wheeler's campaign fund despite him not having announced a plan to run again and it not being an election year. Also donations totaling \$14,500 that month from Drumlin Holdings CEO, former CEO of Compli, President of Winkler Development, co-founder of Capstone Partners, and President of Melvin Mark development accumulated during the month of October.

**October 3** - First reading of the URM Placarding Ordinance at City Council and public testimony. <u>Mayor</u> <u>Wheeler makes a theatrical gesture</u> by placing a placard sign against the back wall of chambers and proclaiming to the public that the ordinance is only about placing a sign, that the rest has yet to be determined.

**October 10** - Against the recommendations of the URM Policy Committee, Placarding Ordinance is introduced by Wheeler and passes 3-0 (with commissioners Eudaly and Fish abstaining - Wheeler, Fritz, and Saltzman passing)

**October 16** - the <u>Up For Growth Coalition</u> seminar attended/presented by Mayor Wheeler. Up For Growth is an organization directed by Clyde Holland/Holland Partner Group. Mike Kingsella, the keynote speaker is the development director for Holland. <u>Oregon Smart Growth</u> is also a Holland endeavor, Gwenn Baldwin and Kingsella lobby city hall in tandem under that org. as well.



**October 19** - The U.S. Department of Treasury and the IRS release proposed regulations and guidance on investment in designated Opportunity Zones. In order to qualify, real estate investments have to be **A) new construction/demolition** or **B) major renovations where the cost of repairs exceeds the value of the building**. Also, time is of the essence: Qualified investments allow taxpayers to defer taxes on their gains until the end of 2026, but they get a step-up in basis only if they hold fund shares for at least five years–with larger step-up at seven years. That means investments need to be made and **fully qualified by the end of 2021** to qualify for the minimum incentive to reduce their required 2026 tax payment. **November** - another contribution to Wheeler's campaign fund from Melvin Marks commercial development.

**November 1** - Mayor Ted Wheeler <u>transfers URM compliance program to Commissioner Dan Saltzman</u> (with 1 month left to his term) without public announcements by either official, effectively transferring accountability away from the Mayor's purview and onto the next Commissioner (Hardesty).

**December** - Smart Growth America/LOCUS publishes a report <u>ranking Opportunity Zones</u> to prioritize investments in what they call "triple-bottom-line" zones. Clyde Holland and Mike Kingsella are also on the steering committee of Smart Growth America/LOCUS. Portland ranks #1 in most filters of that report.

**December** - a flurry of money going into Wheeler's campaign fund. \$87,000 in one month (\$58,500 in just 3 days).

https://pamplinmedia.com/pt/9-news/415940-318211-portland-mayor-ted-wheeler-raises-58500-inthree-days

**December 14th** - the BDS issues the URM Placarding Ordinance service update informing owners how to comply with the ordinance and which includes the nested compulsory deed restriction contract.

**January 2** - The <u>Portland NAACP issues a press release</u> calling the city of portland placarding contract a "coercive policy of dispossession and displacement.". The press release goes on to detail the discovery of the non-negotiable deed restriction contract, additional historical context, and calls for an immediate repeal. A press conference is scheduled for January 5 on the steps of Portland City Hall.

January 5 - NAACP URM Coalition Press Conference.

**January 5** - In response to the NAACP's press conference, Alex Cousins, the Communications Manager for the Bureau of Development Services, is <u>quoted in the Oregonian</u> denying the allegations and referring to the non-negotiable contract as merely a "declaration":

Alex Cousins, a spokesman for the city's Bureau of Development Services, said "nothing" in the ordinance "attaches an encumbrance or lien" to the building's title.

**January 7** - In follow-up conversations with Alex. Cousins, the city's official responses go from denial that anything in the ordinance/compliance requirements creates an encumbrance on the building's title to arguing semantics of the technical definition of the word "encumbrance" itself.

**Q**: You were quoted as saying: nothing in the ordinance attaches an encumbrance or lien to the building's title.

The contract/agreement says: "All terms and provisions herein are intended to and shall be covenants running with the land and/or equitable servitudes burdening the parcel and shall be binding on Declarant ...."

### Isn't a binding covenant running with the land an encumbrance?

**A**:

From: Cousins, Alex [mailto:<u>Alex.Cousins@portlandoregon.gov]</u> Sent: Monday, January 7, 2019 10:13 AM Subject: RE: URM statements

"Encumbrance" is an impediment such as a claim (mortgage) against a property. This ordinance does not impose an encumbrance, a claim of any sort. It's a disclosure statement that gets recorded with the property. Here is some more information.

The purpose of <u>Ordinance 189201</u> is simply about providing better awareness for tenants, visitors and occupants of unreinforced masonry (URM) buildings in Portland. The <u>URM database</u>, which is kept current, has existed as public record since 1995 and has been known to building owners, lenders and insurers for over two decades. Nothing in the URM ordinance "attaches an encumbrance or lien" to the building title. It is just a disclosure. URM building owners need only <u>post the required placard</u>, <u>notify tenants</u> and record a <u>declaration of compliance</u> to be in compliance with the ordinance. The declaration is not a lien and does not compel any retrofitting on the part of the building sin Portland. The Portland Bureau of Emergency Management and the Bureau of Development Services will be convening a URM advisory committee in 2019 to work with the Portland NAACP and other stakeholders on collaborative ways to implement URM retrofitting in Portland. We look forward to working with community members and building owners and building owners and building owners and building owners to make our city safer in the event of a large earthquake.

Alex Cousins, Communications Manager City of Portland – Bureau of Development Services 1900 SW Fourth Ave., Suite 5000 Portland, OR 97201 alex.cousins@portlandoregon.gov

Q: What about this definition:

A burden, obstruction, or impediment on property that lessens its value or makes it less marketable. An encumbrance (also spelled incumbrance) is any right or interest that exists in someone other than the owner of an estate and that restricts or impairs the transfer of the estate or lowers its value. This might include an Easement, a lien, a mortgage, a mechanic's lien, or accrued and unpaid taxes.

Or this:

Encumbrance means any charge, claim, community property interest, pledge, condition, equitable interest, lien (statutory or other), option, security interest, mortgage, easement, encroachment, right of way, right of first refusal, or restriction of any kind, including any restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership.

You've supplied a narrower definition of the term.



From: Cousins, Alex <<u>Alex.Cousins@portlandoregon.gov</u>> Date: Mon, Jan 7, 2019 at 2:29 PM Subject: RE: URM statements

"Encumbrance," notably in the real estate world, is considered a "lien" in common parlance, which is why the City wants to clarify that point so people understand the distinction. The URM ordinance does not place a lien on private property, as some have been claiming. For how the Oregon Court of Appeals has interpreted the term encumbrance, I can refer you to Westwood v. Lane County, 118 Or App 310 (1993) and its subsequent case before the Oregon Supreme Court 318 Or 146 (1993). Similar to that case, CCRs by a neighborhood association (restrictions) were not an encumbrance. Still, the Court acknowledges that there can be different reasonable interpretations for the term, as you noted below.

Alex Cousins, Communications Manager City of Portland – Bureau of Development Services 1900 SW Fourth Ave., Suite 5000 Portland, OR 97201 alex.cousins@portlandoregon.gov **EDITOR'S NOTE**: After first denying that an encumbrance existed, the city then attempted to redefine and narrow the meaning of the word. IMHO, we could argue semantics and call the contract a "ham sandwich", but if recording this contract appears in a title search and breaks the encumbrance clauses of a mortgage, then it doesn't matter what term is used, what matters is the effect and that it instantly distresses those mortgages.

Also, It would appear that the court cases cited by Alex Cousins as precedent, Westwood v. Lane County, 118 Or App 310 (1993) and its subsequent case before the Oregon Supreme Court 318 Or 146 (1993), are "unsettled" to that subject and states in part:

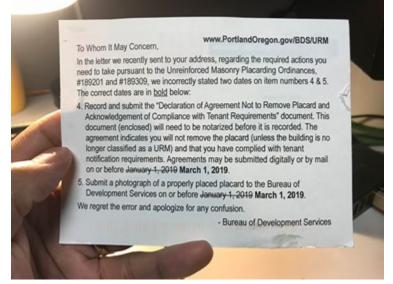
"After consideration of text, context, and legislative history, the intent of the legislature as to the meaning of the word "encumbrances" in ORS 312.270(7) remains unsettled, although a likely meaning has emerged. Resort to general maxims of statutory construction to aid in resolving the remaining uncertainty is, therefore, permissible. PGE v. Bureau of Labor and Industries, supra, 317 Or. at 612, 859 P.2d 1143. "Those include \* \* \* the maxim that, where no legislative history exists, the court will attempt to determine how the legislature would have intended the statute to be applied had it considered the issue." Id. (citing Security State Bank v. Luebke, 303 Or. 418, 423, 737 P.2d 586 (1987))."

**January 9** - the BDS mails placarding compliance documents to building owners stating the wrong date for submitting the contract (January 1, 2019 instead of March 1, 2019) leading some recipients to mistakenly believe they are already out of compliance. For some building owners, this is the first contact they have received regarding the entire URM process and were unaware of what has been taking place.

Pursuant to City of Portland Ordinances #189201 and #189309, you, as the owner of this building, are required to:

- 1. Post a placard (following the standards below) on your URM building on or before March 1, 2019. The placard must:
  - Read: "This is an Unreinforced Masonry Building. Unreinforced Masonry Buildings may be unsafe in an event of a Major Earthquake."
    - Be at least 8"x10"
    - Have lettering in at least 50-point bold sans-serif font
    - Be posted in a conspicuous location on the exterior of the building
- Notify existing tenants that the building is an unreinforced masonry building, and that unreinforced masonry buildings may be unsafe in the event of a major earthquake on or before March 1, 2019.
- Amend every lease or rental agreement (entered into or renewed after the timeline for placarding) to include the following statement: "This is an Unreinforced Masonry Building. Unreinforced Masonry Buildings may be unsafe in an event of a Major Earthquake." on or before March 1, 2019
- 4. Record and submit the "Declaration of Agreement Not to Remove Placard and Acknowledgement of Compliance with Tenant Requirements" document. This document (enclosed) will need to be notarized before it is recorded. The agreement indicates you will not remove the placard (unless the building is no longer classified as a URM) and that you have complied with tenant notification requirements. Agreements may be submitted digitally or by mail on or before January 1, 2019.
- Submit a photograph of a properly placed placard to the Bureau of Development Services on or before January 1, 2019.

**January 11** - BDS sends out a postcard correcting the dates (and causing further confusion). These postcards were also mailed to some to non-profits and churches - even though those classifications are not required to comply/file until late 2020. Some who received these notifications view this as another attempt to confuse and pressure organizations to sign and file the controversial title encumbrance contract.



**January 17th** - Bloomberg article announcing Portland as the capital gains tax deferral Opportunity Zone "<u>Taxbreaklandia</u>", Portland is on blast nationwide and the market signaled for significant and unprecedented 'equity events'.

**January 31st** - Commissioner Joann Hardesty announces that she will direct Portland Fire and Rescue not to enforce the Placarding Ordinance, that she has concerns about the impact and viable financing.

February 1st - Mayor Wheeler issues a brief response, that the Placarding Ordinance is still the law.



**February 3rd** - The <u>Oregonian Editorial Board harshly criticizes Hardesty's position</u>, calling it a "power grab" that sabotaged and undermined the council as a whole.

February 4th - Commissioners Eudaly and Fish make public statements supporting Hardesty.

**February 8th** - The City Attorney, on behalf of the BDS/Mayor's office, asks that the evidentiary hearing for the URM Placarding lawsuit scheduled in Federal court for February 26th be postponed past the compliance date of March 1st.

**February 13th** - The Federal court judge considering the postponement request in his court, also learned that the City of Portland was planning to fast-track a revised placarding ordinance to be voted on by City Council the same week of the first scheduled evidentiary court hearing. This tactical maneuver by the city would attempt to technically block the pending lawsuit from pursuing discovery into the deed restriction by revising the ordinance to postpone the compliance date by a few months and change the type of document building owners are required to sign. The Federal judge, upon learning of this maneuver, <u>moved up the court hearing to February 14th instead</u> of simply granting the city's request to postpone, thus placing the existence of the deed restriction into the record rather than allowing postponement to render certain machinations moot.

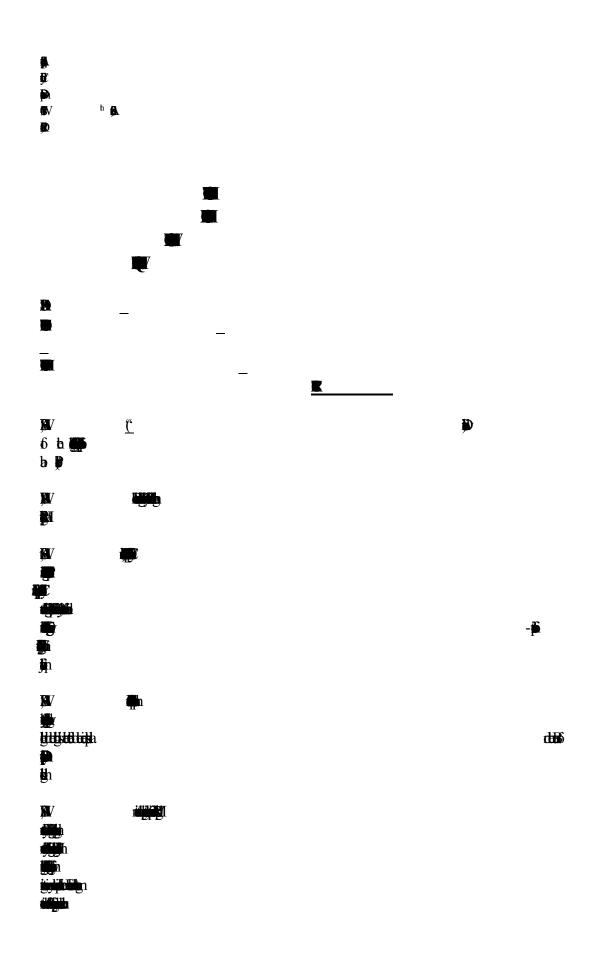
**February 14th** - The Federal court judge <u>issues a 60-day injunction</u> / restraining order against the City of Portland barring the city from enforcing the controversial ordinance. The judge then rescheduled the evidentiary hearing for April 25, five days before the <u>injunction</u> is set to expire.

It was also pointed out in that court hearing that many building owners who received the compliance documents already recorded encumbrances against their titles and it was unclear whether or not the city had a plan to remedy and to avoid further confusion.

12	website. They have added to their database and are now listing
13	which buildings are in compliance with the current ordinance
14	and which are not.
15	Everyone does not wait until the last day to comply. And
16	they are already listing some buildings that have posted
17	placards and some buildings that have recorded encumbrances
18	against their titles.
19	Now, this is a political problem. I don't know how the
20	City's plan is going to provide any any remedy to the people
21	who have now encumbered their titles, who ultimately may not
22	have to, but they've done it. It's happening.
23	As the Court has pointed out, there's all kinds of
24	confusion. I think what would help limit the confusion is if
25	this Court issues a temporary restraining order and we have a

**February 15th** - A <u>new City Council resolution</u> which would alter the existing URM placarding ordinance is scheduled to be introduced for a first reading at council on February 20th with a second reading and vote expected to take place the following week on February 27th.

PLACARDING ORDINANCE **'AGREEMENT'** DEED RESTRICTION



agreement must contain the following statement in the lease or rental agreement: "the building is an unreinforced masonry building, and unreinforced masonry buildings may be unsafe in the event of a major earthquake."

WHEREAS, Ordinance No. 189201 also requires URM building owners who are subject to the placarding and tenant notification requirements to execute and record an agreement not to remove the placard and an acknowledgement of compliance with the tenant notification requirements. The building owner must record the document and provide a copy of the recorded document, along with a photograph of the building showing the posted placard, to the Bureau of Development Services.

NOW, THEREFORE, in consideration of terms and conditions of this Declaration and Acknowledgement, Declarant declares as follows:

### AGREEMENT AND ACKNOWLEDGEMENT

1. <u>AGREEMENT TO MAINTAIN AND NOT TO REMOVE PLACARD.</u> Declarant agrees to maintain the placard required by Portland City Code Section 24.85.065.C. in a conspicuous place on the exterior at the main entrance of the building until the building is either retrofitted and the Bureau of Development Services confirms that the retrofit specified in Portland City Code Section 24.85.065.F. has been completed and approved by BDS; or the building is demolished.

2. <u>ACKNOWLEDGEMENT OF COMPLIANCE WITH TENANT NOTIFICATION</u> <u>REQUIREMENT.</u> Declarant acknowledges that the existing tenants have been notified that the building is an unreinforced masonry building, and unreinforced masonry buildings may be unsafe in the event of a major earthquake. Declarant further acknowledges that any lease or rental agreements entered into or renewed on or after the deadline for compliance with the placarding requirements will contain the following language: "The building is an unreinforced masonry building, and unreinforced masonry buildings may be unsafe in the event of a major earthquake."

3. <u>TERM AND BINDING EFFECT</u>. This Declaration and Acknowledgement shall be effective as of the date of the signature(s) below. Once effective, Declarant and subsequent owners and assigns may not modify, withdraw from, terminate, or dissolve this Declaration and Acknowledgement without the written approval of the City. All terms and provisions herein are intended to and shall be covenants running with the land and/or equitable servitudes burdening the Parcel and shall be binding on Declarant, Declarant's heirs, executors, administrators, successors, and assigns and all current and future owners of the Parcel and all persons claiming title to such property.

4. <u>PURPOSE</u>. The purpose of this Declaration and Acknowledgement is to verify compliance with Ordinance No.189201, and to provide notice to any prospective purchasers or lessees that the building on the Parcel is an unreinforced masonry building, which may be unsafe in the event of a major earthquake.

5. <u>MODIFICATION AND TERMINATION.</u> This Declaration and Acknowledgement shall continue in perpetuity, unless or until modified, superseded or terminated by a written instrument

executed by all current owners of the Parcel and approved by the Portland Bureau of Development Services in writing, and recorded in the real property records of Multnomah County, Oregon.

6. <u>ACCEPTANCE OF TERMS – DEED</u>. By acceptance of a deed conveying title to the Parcel, future owners of the Parcel will become parties to this Declaration and Acknowledgement, whether or not expressly stated in any conveyance.

7. <u>CONSIDERATION</u>. Part of the consideration for this Declaration and Acknowledgement is to provide for compliance with Portland City Code Section 25.85.065, subsections C. and D., which require that owners of URM buildings post and maintain placards on their buildings and provide tenant notification informing users and tenants of the buildings that the building is a URM building and that URM buildings may be unsafe in the event of a major earthquake.

IN WITNESS WHEREOF, the Declarant has executed this Declaration and Acknowledgement as of the date set forth below.

### DECLARANT:

	DATE:
(signature)	
By:	
By: (printed name)	
Title:	
ADDRESS:	
(mailing address)	
STATE OF OREGON	) ) ss.
County of	
Personally appeared before me this _	day of, 20, (name) and acknowledged the foregoing instrument
to be his/her voluntary act and deed.	
By:	
Notary Public for Oregon	
My Commission Expires:	

# Video Encumbrance Explained

to maintain the placard required by Perland City Code Section 24.85.065.C. in a conspicators place on the extension at the main entrance of the building until the building is either retrofitted and the Bureau of Development Services confirms that the netrofit specified in Portland City Code Section 24.85.065.F. has been completed and approved by BDS; or the building is demolished.

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Portland URM illegal deed restriction explained

### PRESS CONFERENCE SPEAKER TRANSCRIPTS

### GCHEDULE

January 5th, 2019

- 10:00 10:15: Rally Warmup Hot coffee and donuts, assembling in the circle
- 10:15 10:45: Press Conference

### 10:45 - 11:00: **Q&A**

### E.D. Mondainé: Welcome and Opening Statement

President, Portland NAACP, Chapter 1120 Pastor, Celebration Tabernacle Church Philanthropist. Activist. Entrepreneur. Author. Public speaker. Civil leader. Musician http://www.edmondaine.com/bio

### MK Hanson: Impact on Renters, Current Narrative and Policy Summary

Senior Research Analyst, Chariot Wheel Research Consultants Global Systems Integration Engineer, Data and Policy Analyst, Renter Co-Director, CPPPAH (Coalition to Prioritize, Protect, and Preserve Affordable Housing) http://cpppah.org

### Virginia Hankins: Impact on Main Street Small Businesses Small building owner on NE Martin Luther King Jr. Blvd.

### Meara McLaughlin: Cultural Impact - Arts and Entertainment Venues

Executive Director, MusicPortland https://www.musicportland.org/

### Pippa Arend: Impact on "Mom-and-Pop" Housing Providers and Non-Profits

Executive Director, p:ear - homeless and transitional youth mentorship Small Owner-occupied housing provider Artist http://www.pippaarendart.com/

https://www.pearmentor.org/

### E.D. Mondainé: Closing Impact Statement and Council Call to Action.

### Good morning Portland!

The NAACP was formed in 1909, one hundred (109) years ago and has been a freedom fighter for justice and inclusion for African Americans all across this United States of America. Five years later in 1914 the NAACP Portland Oregon Branch 1120 was formed.

For 105 the Portland Branch of the NAACP has been a voice of reckoning for the corrupt, violent, blatant and unapologetic actions of a racist society that imagined an entirely white community. A community that severely whipped Blacks that refused to leave by "not less than twenty or more than thirty-nine stripes" to be repeated every six months until they left. It went further in it's relentless tirade of racism and classicism by ensuring that blacks would never become stakeholders by writing in its constitution that "No free negro or mulatto, not residing in this State at the time of the adoption of this constitution, shall ever come, live, or be within this State, or hold any real estate, or make any contract. Well in 1859 it was a done deal.

Oregon entered the Union of the United States and did so as a white-only State. With well of 77 percent of Oregon's population being white it is pretty safe to say that Oregon is the Whitest State in the Union and Portland is one of the whitest cities in America. Oregon has continued to keep its promise of exclusion of African Americans from the being property owners and cardholders in the game. It is no secret that something went wrong in the mostly black populated area of Vanport Oregon, now called ( Delta Park )when flood waters displaced an entire community.

On the morning of Memorial Day, May 30, 1948, the Housing Authority of Portland issued the following statement: "Remember: Dikes are safe at present. You will be warned if necessary. You will have time to leave. Don't get excited.

This nothing to get excited about catastrophe drove the African American Community to N. N/E. Portland only later to become subjected Blighting. Areas are considered blighted because of deterioration, faulty planning, inadequate or improper facilities, deleterious land use or the existence of unsafe structures, or any combination of these factors, are detrimental to the safety, health or welfare of the community.

To save their homes, African American citizens became subjected to predatory lending principles. This desperate measure would prove unproductive only to see their homes sold at fire sale prices because of the inability to pay back these bad loans.

in that would prove unproductive, the homes of the After purchase homes that would later be blighted and once again we see the pathology of racism and gentrification on patrol.

We were told once again not to worry and that all would be well only to find that 40 acres later, the African American Community once again displaced. Fast forward to 2019 there is a threat to finalization of Gentrification and displacement Of the African American Community that began in the 60's but just as the NAACP was successful in 1922 to help facilitate the removal this racist and shameful stain, we stand now, and we didn't come alone; WE CAME to stand in solidarity

with our neighbors that make up the Portland that only those that will, can imagine. A society that has 0 tolerance for any form of exclusion.

A community that stands united because we understand the power of one voice:

Portland Assembly Music Portland Save Portland Buildings Portland Tenants United Also, MANY MORE.

Thank you.



### January 5, 2019

### NAACP Coalition Press Conference – MKH Transcript

My name is MK Hanson. I'm a data activist, a forward and reverse systems architect and engineer, and a lifelong renter (I'm kindof an indoor kid). Understanding the complexities of how things work and how they're constructed, all the moving parts and interdependencies, is ultimately also a search for truth. It's how we get to the heart of issues, confront the root of problems, and build solutions designed not only to make things better, stronger, or faster but also to do no harm in the process. Bureaucracy is highly fragmented, incredibly inefficient at solving systemic problems, and reluctant to even admit that there is a problem - especially if it's a big one. Add politics and deep-pocketed corporate lobbyists to that and you get intentional obfuscation of the truth that drives and influences policy through false narratives instead. The architects and engineers of De have their fingerprints all over our society and they have shocked, lied, flattered, harmed, and hindered every step of the way in order to extract wealth through constructs which create and perpetuate poverty, pain, and suffering of the many for the profits of the few.

So I'm here today to help us unpack a few things together. It'll be a fun and infuriating thing we do together. For today, we're going to focus on one of the spokes in this wheel – this stealth URM title encumbrance. Even that's a mouthful and it's a complex issue, but by showing up here today I know you want to do this together, so thank you. This is part and parcel of the broader conversations about policies of Displacement, Demolition and Disposession that many of you here today are all too familiar with. I am so inspired by the work that so many of you are doing, I see you, I respect you, and we're here with you too.

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Some of you have copies in hand of the Pa R . Hang on to this, it'll help you discern who is telling you what they want you to believe by omitting critical information from those who believe it is their ethical responsibility to give you all the information so that you can decide for yourself.

The narrative you're all probably familiar with is that the city passed an ordinance in October requiring owners of Unreinforced Masonry buildings to put a sign up – a notification – that lets tenants and visitors know that the building may not perform well in a major seismic event. Seems harmless enough – it's just a sign, like the ones that employers and public establishments are required to put up in conspicuous places or like lead paint disclosures. Three weeks ago, the BDS started sending out a variety of FAQ's and links to the owners of buildings who were on the city's URM list – a list by the way that comes with a major set is that says it's unverified, a list that was assembled by drive-by.

Embedded in these packets of information was a **CONTRACT** that owners needed to sign, (notarize), and filed with the County tax assessor's office that explicitly authorizes the city to attach an encumbrance (lien) to the title. So this sign is no longer a notification, it's a condemnation, it's an anvil dropped onto the mortgages of every building on the list in one fell swoop – buildings that are all otherwise in compliance with current building codes. And the conjured weight of that stealth maneuver, is the full cost of the most prohibitively expensive and invasive level of retrofits – way beyond what the current code requires and astronomically above and beyond the policy recommendations still being considered.

Mayor Wheeler made a promise just a few months ago to work with community members to phase-in financially viable incremental retrofits – which is especially critical for people like the ones I stand here with today who only have one small building or church and without large diversified investment portfolios to leverage. This title encumbrance breaks that promise, it puts not only these small building owners in a lose-lose situation, but it risks the livelihoods, missions, and well-being of all the non-profits, low-income renters, small businesses, artists and musicians, and congregations who live, work, and connect in these places.

We don't need to look any farther than what's right in front of us for daily reminders that the speculative real estate investment gold-rush is predicated on creating, exacerbating and perpetuating a crisis of Affordabilty. We have the second highest rate of unsheltered individuals in the nation. And thousands of market-rate apartments sitting vacant. The world's largest Private Equity corporation and Wall Street's biggest landlord, the creator of rent-backed mortgage securities, Blackstone, and their Washington State partner in gentrification Holland Partner Group, together bought and sold over 2 ½ BILLION dollars in multi-family real estate in the Portland area just in the last 2 years. There are over 7,000 residential units alone in URM buildings, and together with all of these commercial buildings they are in the most supremely valuable locations – there is gold in the dirt underneath these **CORNERSTONES OF OUR COMMUNITY** and the only way that speculative developers can extract it before this over-inflated bubble burst in a few years is to pull the alarm right now and to offer no choice but all or nothing, one or the other.

The city's title lien will damage and distress mortgages instantly and has already caused disinvestment by conventional lenders. It will provide opportunistic advantage to private equity and allow them to coerce small building owners into selling their prime pieces of real estate for artificially low cash prices because they now have no leverage and their entire investment has been wiped out by the encumbrance. These are the constructs of hostile takeovers that Wall Street is known for. And we live in a city that lets developers demolish Sound, habitable housing without any mandates of affordability.

This city is planning to upzone 96% of residential neighborhoods through the **RESIDENTIAL INFILL PROJECT** and every major commercial corridor through the Better Housing by Design proposals – increasing the speculative value even more in all these coveted locations and for certain trophy buildings and incentivizing the wholesale man-made destruction of the fabric of our communities.

We are here today to stand with the NAACP in solidarity and to build a broader coalition of support in demanding that city leaders STOP. Bring those of us who are most significantly and adversely impacted by these policies to the table instead of stacking committees with those who stand to benefit the most financially at our expense. Come together in good-faith to promote polices that reinforce the fabric of our communities instead of tearing them apart. We CAN have it both ways – solutions built from the bottom up with full transparency and community engagement is how we will balance retrofitting our built environment to be safer and more resilient for the future while protecting our citizens in the present from the manmade catastrophe of displacement, the economic violence of corporate gentrification, and the constructs of poverty and inequality.

Thank you for listening.

My name is Virginia Hankins. I'm a small building owner of a building on N.E. Martin Luther King Blvd.

The placard and contract lien will not only affect me, but will also affect the three small businesses, their owners, their employees, their families and communities.

The contract will also cause a financial hardship. I will not qualify for hundreds of thousands of dollars. We have had difficulty getting a loan in the past.

The cost of upgrades through a loan means I will be purchasing the building multiple times.

Safety is important to everyone. We will not fail unless the city fails us. Please stop the process and engage everyone.

I am Meara McLaughlin, Executive Director of MusicPortland, the local music industry association. Popular music in Portland is the audible spirit of our city. We are recognized internationally as a center of musical originality, innovation and authenticity in many genres. The music scene engages every part of our city; those who create, support or consume it. Representing a thousand metro area music businesses, venues and the massive community of performers and music fans, MusicPortland opposes the placarding law applied to URMs, but supports fair and necessary safety upgrades to our local buildings.

I want to speak about the social costs of this placarding approach

Modern urban life is increasingly isolating. Where do we gather? How do we create a connected community if we live our lives in isolation? Live performance is one of the last institutions that bring us together; expand our social networks and, ultimately, our civic engagement. Our city boasts more than 1000 live music performances every month. There is no other activity in our city that connects our people together as frequently or as broadly.

Like secular churches or the grange halls of Oregon history, music venues are the places that bind our citizens together. People gather with others of similar tastes to create genre communities whom they see repeatedly at different shows and through which they build connections. These bonds are particularly important to our younger population. In Portland, our live music culture is noted for intimate, independent venues spread across the the city not large arena shows. Each one is uniquely authentic and decidedly local. Venues provide powerful experiences for residents, visitors and new transplants - connecting people in meaningful ways to the cultural heart of Portland.

More than three dozen places where live music is performed regularly (including the city-owned, Keller) are impacted by this law. These venues present more than 30% of the live music bills in the city. Places like Kelly's Olympian and McMenamin's White Eagle that have become strongholds of the long-harassed and homeless local Hip Hop community. The Moon and Sixpence is the clubhouse for the Irish, Old-Time and Cajun music communities. Dante's and The Crystal Ballroom and the Star Theater feature local and touring bands of many genres. The Liquor Store and Holocene not only feature the talents of our growing electronic artists, but also

often support nonprofits and causes by letting them host events within their spaces. The Laurelthirst Public House raised funds from more than 500 music fans to purchase a beloved venue to keep it safe from developers. What better demonstration of the importance of music and community could you ask for?

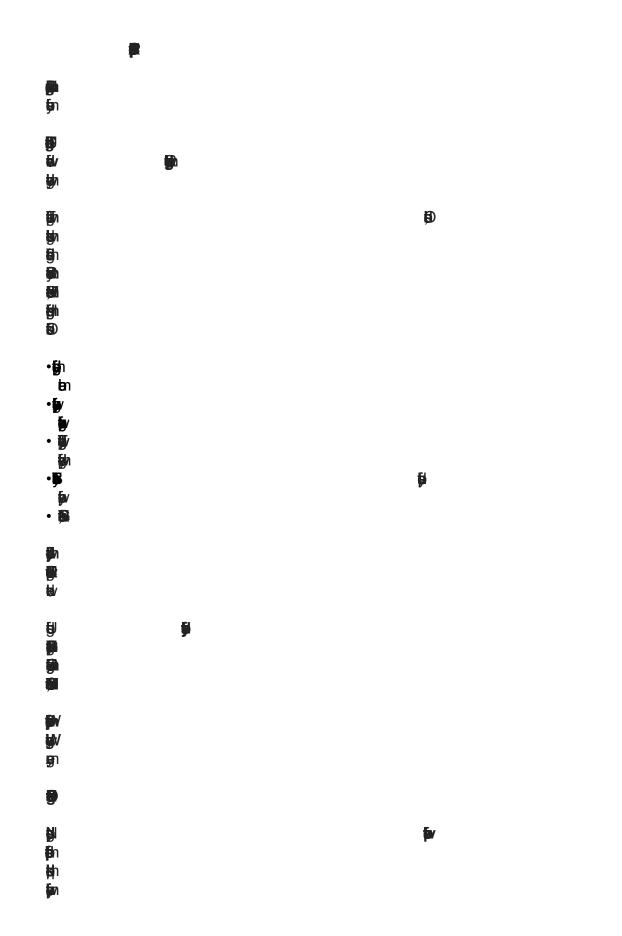
We include community centers in our list of music performance spaces at risk. The Norse Hall, Ethos, Linton Community Center, Los Prados Event Hall and the recently revived Polaris Hall in North Portland are purpose created to encourage social cohesion. Do they need to be made safe? Absolutely. These placarding requirements do nothing to improve safety and everything to threaten their continued existence?

The local music scene has evolved organically and creates enormous value for the city and its citizens. For all its vibrancy, the creative economy is extremely fragile. Without places to perform and fewer affordable places to live, artists will move away. They already are. More musicians being driven from the city means the many supporting businesses like studios and labels must leave or close. Music venues operate on thin margins and since most do not own their buildings, they will suffer this unnecessary placarding policy with higher costs, reduced business or eviction. In the absence of the city requiring new developments to include cultural and performance spaces (as New York does), there is no realistic chance that these vital organs of our city's cultural body will be replaced.

It's become much too easy to imagine a Portland where this rich cultural, artistic history has been demolished; where character, identity, and soul has been reduced to identical boxes piping music designed to sell products instead of inspire communities.

We did not build these cultural riches so it could be sold back to us at a markup.

We demand that City Hall suspend this placarding approach and return to the original process that was committed to improve public safety while protecting our city identity and lifestyle.



risk. We cannot **privilege this harmful red-lining** ordinance over more real and immediate concerns, such as food and shelter.

The city is painting a false narrative: Saying that this is just about Public Awareness and Signage (again, if it were, they would do all of their buildings), and simply have a signage ordinance with enforcement, instead of attaching an encumbrance onto the titles of these buildings.

- IT IS structured like a lien
- IT IS a non-negotiable redlining of our deeds, Redlining, not of area, but of structure
- IT IS a set up for the TRANSFER OF WEALTH and the loss of our local neighbors and neighborhoods to big and **Out of State Developers**

Let me tell you a story of how I learned about all of this – through a phone call. A friend of one of the URM committee members called me to say, "This URM issue is coming down the pipeline. Why don't you sell to me cheap." I didn't know what he was talking about and promptly hung up the phone.

I'll remind you. I live in my building. This is not only my business, but my home they're trying to swipe from me – cheap. The sharks are circling.

<u>We Demand of City Council:</u> Stop and Overturn this Ordinance, so we can simply maintain our buildings, do the seismic work under the current code, without threat from the city or the developers who see gold under our property.

In the words of Jane Jacobs: This is not the rebuilding of cities; this is the sacking of cities."

BACKGROUND PREVIOUS URM CITY COUNCIL ENGAGEMENT



Dear Mayor Wheeler and Commissioners,

The NAACP Portland Chapter 1120 in alignment with a consortium of PDX African American Pastors call on city council to abort any movement surrounding the resolution to develop URM retrofit implementation steps immediately.

It is an outrage that there were not ample notifications concerning this measure and zero engagement from communities of color in the process.

The advancement of any resolution without the input of over 1600 properties is unacceptable. They Include, but not limited to: underserved communities, communities of color, religious communities, non-profits, schools, small business owners and those impacted most by displacement as well as higher rent and gentrification.

We are demanding that there be NO movement forward on the proposed resolution by City Council on June 13th and that there be NO movement forward without inclusivity of the process and proper representation of those who are most impacted by this issue.

We demand that the city stops today and allows for immediate communication with a quorum of the Church leaders, community leaders, and stakeholders who have been grossly disenfranchised.

It is unfortunate that in the absence of notice or inclusion in this due process forces us to request an emergency meeting immediately, today, June 12, 2018. The afore mentioned quorum is available to meet with you today at city hall at the time of your choosing.

Non response to this communication will serve as indication of your unwillingness to collaborate. If it be your choosing we will meet you at city hall at the June 13th city council meeting inviting as many of our constituents, family and friends to join us in this most important conversation that affects so many lives.

E.D. Mondainé President | NAACP Portland 1120

## Video June 2018 City Council



Ted Wheeler Mayor Dan Saltzman Commissioner Nick Fish Commissioner Amanda Fritz Commissioner Chloe Eudaly Commissioner



August, 20th 2018

To the City Council of Portland Oregon,

My hope is that this correspondence finds you well and willing to consider the seriousness and urgency of the issues and concerns addressed therein. I am E. D. Mondaine, President of the Portland, Oregon Branch of the NAACP (National Association for the Advancement of Colored People). This correspondence is being written as a brief history and statement from the NAACP Portland branch in reference to Resolution number 37364.

The Portland branch NAACP understands that 1,600 buildings in Portland, have been identified by the city to have unreinforced masonry, and that those buildings include apartments, businesses, schools, fire stations and churches. We also understand that the intention of retrofitting is a safety issue, being that buildings built before 1960 were built at a time when the danger of a catastrophic earthquake wasn't a priority; the direct result is that their bricks and/or concrete is not secured. The City of Portland, has decided to placard identified buildings that are currently on the URM noncompliance list.

We understand that the Bureau of Development Services Unreinforced Masonry (URM) Building database is a list containing information on buildings located in the City of Portland which are believed to be of unreinforced masonry construction. The URM Database was originally compiled in the 1990's and was recently updated. The update included verifying the database accuracy using tools such as Google maps, reflecting the categorization of structures due to demolitions and permitted seismic upgrades and performing site visits. While every effort was made to confirm the information, accuracy of the database cannot be guaranteed due to a number of factors. Some buildings may have more than one address, or have an address different from that which is shown in the database, and not all permitted building records could be located. Some of the buildings may not be of URM construction. Some of the buildings may have been improved to better resist seismic loads. If this is known, it is indicated in the database.

The City of Portland makes it clear in their own documentation stating that, "The City of Portland makes no representations, expressed or implied as to the accuracy of said database." There are no assurances as to whether the information presented is correct or comprehensive. "The presence of a building in this database is not a predictor of its performance in a seismic event."

The negative implications surrounding placarding on all listed URMs will undoubtedly cause horrendous and costly ramifications to property owners. The ability to secure financing, and buy or sell property, will be severely hindered. The fact that The City of Portland's URM list is unreliable becomes an immense injustice to the property owner, and a mischaracterization of said property.

The City of Portland, Oregon maintains that all affected property owners were notified via United States postal Services regular mail. However, a comprehensive survey of a council of African American Pastors, and several other African American business owners (myself included), all report not having received said notifications. The result is a great number of affected stakeholders that are both uninformed about their non-compliance status and excluded from the decision-making process.

Our esteemed mayor frowns on the business of non-inclusion. In Mayor Wheeler's 2017 State of the City Address, Mr. Wheeler is quoted as saying, "I don't want to govern by faction. It's divisive. It's transactional. And it's shallow. Instead of governing by faction I want to govern by consensus." In

Mayor Wheeler's book: Government that Works: Innovation in State and Local Government, Pg. 190, "Parties that are allowed to provide input are more likely to support it." Pg 191. "Such formal input is important because it contributes to the feeling that interest in the community (other than government) are being represented in a consensus oriented, decision-making process."

It the hope of the NAACP that our local and city government of Portland is intentionally moving well beyond the point that the African American community is excluded from important process and information concerning major decision making. The state and city have a history of committing harms that it should be beyond. However, from my view, the placarding mandate appears to have a very familiar face and a repeat of the past, such as identifying homes in Albina as "blighted"; The difference being that, "placarding" is replacing the term "blighting." This time, due to gentrification, rather than being isolated to one geographic location, the reach has been extended, affecting the greater Portland area.

The NAACP would like to believe that the city did its due diligence to inform the community concerning this issue; however, due to the harms that have been committed, and yet to be repaired, against the African American community, such as: exclusionary laws; redlining; utilizing imminent domain to take the property of African Americans in the Albina district, resulting in the destruction of 160 houses and 28 businesses that can never be recompensed; and the fact that there are so many more efficient and cost effective methods to contact and ensure proper delivery of such vital information (such as certified mail or certified letter); the NAACP is requesting that the URM placarding be halted until an inclusive resolution has been drafted and approved by the community.

Oregon has a history of ostensibly working to repair harms committed to, or against, the African American community, and then implementing racist policies dismantling such progress. An example of this would be when Oregon's small white population voted on July 5th, 1843, to prohibit slavery by incorporating into Oregon's 1843 Organic laws a provision of the 1787 Northwest Ordinance that stated: "There shall be neither slavery nor involuntary servitude in the said territory otherwise than in the punishment of crimes whereof the party shall have been duly convicted...". A year later, the law was amended June 26, 1844, by the provisional government's new legislative council, headed by Missouri immigrant Peter Burnett. As amended, the law that prohibited slavery, gave slaveholders a time limit to "remove" their slaves "out of the country," and freed slaves if their owners refused to remove them.

How is this same behavior reappearing in present day? Oregon has demonstrated a keen interest in, and has explored and implemented, programs surrounding inclusion of minorities business on government contracts, and yet now it is implementing a policy that would inevitably put some of those very same businesses out of business, via tying up said business's resources, along with having to bear the cost of mandated retrofitting.

It is the hope of the NAACP Portland Branch that the City Council recalls the long history of racist tactics, including publicly shaming African Americans, and creating policies and processes that have intentionally excluded the African-American community from the decision making process. Let us get grounded in remembering that in 1844, the provisional government of the territory passed a law banning slavery, and nearly in the same breath, required that any African American in Oregon leave the territory. White Oregonians wanted African Americans to leave so urgently, that they declared that any black person remaining in Oregon would be flogged publicly every six months until he left.

It is imperative to remember that in 1857, Oregon adopted a state constitution that banned black people from visiting the state, residing in the state, or holding property in the state. The law stated, "No free negro or mulatto... shall ever come, reside, or be within this State, or hold any real estate, or make any contracts, or sustain any suit therein."

How has this same type of exclusionary behavior shown up in Portland since then? We would be remiss to ignore the fact that the Portland City Council and the Portland Development Commission (PDC) destroyed the predominantly black Upper Albina neighborhood in North Portland in the 1960's. Hamilton & Associates advised the PDC, now Prosper Portland, to demolish the Albina area. The firm advised Emanuel to get the City Council and the PDC to declare the area "blighted" (which looks very similar to placarding), which then allowed the City to enforce eminent domain. PDC labeled 96 percent of the houses and businesses "blighted" -- a loose term. A house more than 50 years old could be described that way. A house could also be "blighted" if it had a claw-foot tub.

The City Council declared the area blighted in 1964 (similar to what is happening now). The PDC tore down 160 houses and 28 businesses until 1970, and only stopped because President Richard Nixon cut federal funding, not because it was the right thing to do. From my view this looks very much like a repeat of the past. The difference being that, "placarding" is replacing the term "blighting". And, rather than being isolated to one geographic location, the reach has been extend, further gentrifying the greater Portland area.

The Non-inclusive City resolution states that, "BE IT FURTHER RESOLVED that City Council directs City staff to develop an ordinance, with an effective date of March 1st, 2019, for Portland URM building owners to incorporate into rental agreements that states: "This building, which you are renting or leasing, is an unreinforced masonry building. Unreinforced masonry buildings have proven to be unsafe in the event of an earthquake." Is the city making an accurate generalization? Should't it be that buildings get assessed in terms of their ability to withstand certain magnitudes of an earthquake, instead of this blanket generalization? This is the same type of subjective approach that the city used before, similar to claiming that a tub that had a "claw foot" could signal a house as being "blighted." Such generalizations would imply that the level of integrity across all reinforced buildings are the same, and again from my view, it is impossible for these statements to be accurate.

Lastly, the cost of the retrofitted upgrades would be another cumbersome financial burden on a community that has yet to recover from many racist policies that have impacted the African American community. Reinforcement of said properties would result in astronomic costs, ranging from several thousands to several millions of dollars, depending on the properties.

The result of Oregon's non-inclusive policies and procedures have had significant and evident impacts on the African American community, such as pointed out in the 2014 report created by the Coalition of Communities of Color entitled "The African American Community in Multnomah County: An Unsettling Profile". The report details the impact of Oregon's racist history and identifies the disparities that are no doubt directly correlated to Oregon's exclusionary past including:

A. African-American family income is less than half that of white families, and the poverty rate among African-American children is nearly 50% compared to 13% for white children.

B. African-Americans are deeply affected by unemployment, with local unemployment levels in 2009 nearly double the white unemployment rate.

C. Fewer than one-third of African-American households own their homes, compared to about 60% of white households in Multnomah County.

D. African-Americans have experienced housing displacement and the loss of community as the historic Albina district has gentrified.

E. African-Americans face substantial disparities for health outcomes like diabetes, stroke, and low birth weight, and disparities in access to health insurance, prenatal care, and mental health care.

F. In the child welfare system, African-American children are three times more likely to be placed in foster care than White children. Once in foster care, they are likely to stay in care much longer than White children.

G. More than half of African-American youth do not complete high school, compared to just over a third of White students.

H. School administrators are much more likely to discipline black youth with suspensions and expulsions at levels more than double those of whites. This pattern exists despite studies that reveal black children do not misbehave more frequently than white students.

I. Black youth are 61!2 times more likely to be charged with a crime than white youth, and 33% more likely to be held in detention. A white youth found guilty stands a one-in-ten chance of receiving a custodial sentence while a Black youth faces a one-in-four chance.

In closing, the NAACP understands that the intention of retrofitting is to ensure that building owners are in compliance with earthquake safety, and that by placarding properties that are in noncompliance, this would serve as warnings to the general public as to the property's unsafe status for earthquakes over a certain magnitude. Let it be established that the African American community has no desire to be noncompliant. It is however, of critical concern of the NAACP Portland Branch, that Oregon's documented history of excluding the African American community from the decision making processes, appears to be rearing it's unsightly head once again.

1. The NAACP is concerned that Oregon has a history of publicly shaming African Americans for being non-compliant about decisions that they did not have equity in.

2. The NAACP is concerned that Oregon has a history of identifying properties belonging to the African American Community, declaring imminent domain, and stripping them of their property. The history of Oregon's racist behavior is something that NAACP believes that the City Counsel should be working to fight against, and not perpetuate.

We are encouraging the City to not only continue to acknowledge its oppressive history, but also be willing to do things differently than City Council has done in the past. If the City chooses to continue with this resolution instead of being equitable to the African American community, then the City is intentionally deciding to implement a process that will cause even further economic disparities than we are already currently experiencing.

As President of the Portland Branch of the NAACP, I have initiated and have partnered with many city, civic, social agencies and concerned community groups, eager to make a positive change where it concerns inclusion. I want to believe that Oregon is a place that values community, and a place that desires to be a part of healing. I want to believe that the Oregonians of today are better than the Oregonians of the 1800's.

My absolute hope is that it is not the thought of the Portland City Council, that the African American community of greater Portland, Oregon, stand idly by while being further marginalized and disenfranchised; nor walk silently while being continually oppressed, turning a blind eye toward injustice.

The NAACP Portland Branch is open to dialogue with City Council with hopes of orchestrating an inclusive plan that will help to ensure not only that the African American community is included in the resolution, but to also ensure that the African American community is provided with adequate support from the city to be in compliance. We hope that the City will make the righteous and equitable decision. We are stronger together. I looking forward to your response.

E. D. Mondaine' Jr. President NAACP, Portland Chapter 1120