

From: [John Carter](#)
To: [Moore-Love, Karla](#)
Subject: Request to Speak to Council on Challenges of Leasing Commercial Space in Portland
Date: Wednesday, February 19, 2020 2:03:16 PM

Hi Karla!

I would like to get some time (when is the next available spot?) to speak to council about the challenges my business partner and I had in securing a commercial lease and how these challenges represent a broader problem for the public.

Thank you!

Best,

-John

Request of John Carter to address Council regarding challenges securing a commercial lease (Communication)

April 29, 2020

Placed on File

Filed 4/21/2020

MARY HULL CABALLERO
Auditor of the City of Portland

Keelan
By McClymont Deputy

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McClymont
Date: 2020.04.21 10:37:40
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COMMISSIONERS VOTED AS FOLLOWS:		
	YEAS	NAYS
1. Fritz		
2. Vacant		
3. Hardesty		
4. Eudaly		
Wheeler		

From: [JC](#)
To: [McClymont, Keelan](#)
Subject: Re: FW: John Carter's testimony or contact info
Date: Wednesday, April 29, 2020 4:00:45 PM

Thanks Keelan! Also below is a copy of the testimony for the council. Thank you very much!

"Good morning mayor and commissioners -

We are in unprecedented times in which the social and economic conditions of the city have been shaken in a flash. I believe it's important to recognize though that the virus has accelerated an economic trend that was already well in motion - a relentlessly increasing cost barrier to live and participate in the city. How can it be claimed that we are moving toward an "equity lens" when the baseline to contribute to the fabric has been raised well beyond reach?

In my experience in looking for a space to open our business, I saw plentiful commercial vacancies but highly restrictive pricing and fee costs (such as triple net *NNN* terms). Spaces remain vacant for months or years - spaces that could be immediately ignited for productive use, needed community resources, and social connection. This city's urban landscape has beautiful bones but so much of it has been hollowed out for the sake of profit potential. Why do these spaces remain vacant for so long?

I see many factors at play, but I'd say speculative thinking is a leading cause. An owner/developer would rather keep a space vacant and write the loss of revenue off to nab a highly profitable future tenant, usually a deep pocketed chain or boutique targeted to niche wealth.

When profit potential shapes a city and becomes the end rather than a means to creating something of value and community connection, it warps who the city is for.

We call it "market rate" but when the market is only open to those positioned for high profit, shouldn't we question how this gate is measured and for who it is open?

Many of Portland's businesses are in a moment of crisis - those positioned for efficient profit will survive, many will sadly perish. The stage has been set for a massive reset. We need to put the conditions in place that refocus and reaffirm our city's penchant for localism. We need to open up opportunities for all Portlanders to build and contribute to our city's landscape, particularly racially and economically disadvantaged people that have been shutout in the past and will continue to be so within the confines of the current scheme.

Here are some suggestions to increase commercial equity and opportunity:

Vacancy tax - Impose meaningful monthly penalties on owners/developers that opt to keep a space vacant for speculative purposes rather than lower the rental rate to widen the opportunity pool.

Decrease permit fees and complexity for small businesses. Grant incentives for businesses that offer direct community benefit.

Moratorium on corporate chains establishing new business within city limits unless they are employee owned.

Tax and grant incentives for local businesses that operate under an equity ownership model.

The house is not a home without the people to shape it. The "market" is an ever heightening gate for access - and even if you make it, how to pay for the cost of participation is top of mind. If we are to have dynamic, vibrant, and equitable Portland we need to fundamentally shift the rules of the game."

