Nancy Ide

From: J. Kevin Hunt, Esq. [j Sent: Wednesday, August

J. Kevin Hunt, Esq. [jkhesq@comcast.net] Wednesday, August 29, 2012 1:27 PM

To: Nancy Ide; Betty Mumm; City Manager; Doug Neeley; kroth211@gmail.com; Rocky Smith, Jr.;

Carol Pauli; esullivan@gsblaw.com

Subject: Request re. amended alternative explanatory statement

Attachments: ver 2 PROPOSED ALTERNATIVE EXPLANATORY STATEMENT FOR MEASURE NO.docx

I respectfully request that City Recorder Ide make this email and its attachment part of the official record re. what was Agenda Item No. 3(b) for the August 29, 2012 Special City Commission Meeting, under whatever agenda item it is assigned for the September 4, 2012 Special City Commission Meeting and (if applicable) for the September 5, 2012 regular City Commission meeting. I hereby also request that Messrs. Sullivan and/or Frasher transmit my attached proposed alternative explanatory statement, along with Mr. Sullivan's version, to the independent attorney reviewing for neutrality, in accordance with the consensus matters agreed to by Commissioners at the conclusion of the August 29, 2012 Special meeting.

Many thanks to City Attorney Sullivan for his comments at the Special City Commission meeting last night (8/29/2012) on my proposed alternative explanatory statement on Measure #3-407. I respect the tricky task he has had of navigating several facets of this matter, and appreciate his attempt to have the explanatory statement reviewed by the Secretary of State.

As a result of Mr. Sullivan's objective remarks last evening, I have amended my proposed version by adding one final sentence to the second paragraph, stating that the measure would require a public authorization vote prior to issuance of urban renewal bonds that are already authorized, but not yet issued. My proposal as so amended, is attached hereto (*Word* file). I am of course open to Mr. Sullivan's refinement of my added phrase, for precision.

I expect that the independent attorney to whom Ms. Sullivan's proposed explanatory statement is submitted for review for neutrality, will opine that it is legally neutral. That is not the same as saying that the explanatory statement is totally neutral, and is politically neutral.

I believe that my proposed alternative is "more neutral."

At the conclusion of the August 28, 2012 Special City Commission meeting, there was consensus that Mr. Sullivan's version would be submitted to the independent attorney selected by Mr. Sullivan for legal neutrality vetting. Only if the independent attorney opined that Mr. Sullivan' version was deficient in that regard, would Commissioners hash out amendments. But the Mayor's suggestion was then agreed to, that all other proposals should be transmitted to the City Attorney and independent lawyer for review, through Mr.

Frasher, City Manager. And by consensus, it was agreed that "all suggestions" regarding the explanatory statement would be considered at the September 4, 2012 special meeting (subject to the next sentence).

It was further agreed by the Commission that the September 4, 2012 special meeting could be canceled if independent counsel opines that Mr. Sullivan's version is neutral, but the Mayor stated that at the special meeting, the language to be used would be sorted out.

As the final decision of the Commission in this regard, the Mayor's suggestion was agreed to, that if any Commissioner had concerns about the statement's neutrality or wording, they should be given to the City Manager for transmission to the independent lawyer.

By copy of this email to the entire Commission, City Attorney, City Recorder and City Manager, I respectfully request that my attached 'version 2' "proposed alternative explanatory statement" be submitted to the independent attorney along with Mr. Sullivan's version, in accordance with the aforementioned consensus of Commissioners recorded at the conclusion of last night's meeting.

I do not request an opinion as to which version is superior; rather, I simply ask whether both versions (Mr. Sullivan's and mine) pass "neutrality" muster. I agree wit City Manager Frasher that it will not take much time at all for a lawyer to give an opinion, so I do not believe that any significant expense will be incurred as a result of having my version reviewed along with Mr. Sullivan's. They both convey the same information, with Mr. Sullivan's forming the overwhelming bulk of my version.

I realize that no one wants to write the explanatory statement "by committee." I do not seek that; rather, I ask that the two versions be before you at your next meeting. On a prior occasion, Mr. Sullivan advised the Commission that a proposed alternative version of an ordinance I submitted would do the same job as the version he drafted, and as it happened you chose my version. I'd simply like you to have that same option on the #3-407 explanatory statement if you should choose to exercise it.

Respectfully,

/s/ J. Kevin Hunt Co-Chief Petitioner, Measure #3-407

Ver. 2, PROPOSED ALTERNATIVE EXPLANATORY STATEMENT FOR MEASURE NO. 3-407

Proposed by J. Kevin Hunt – Co-Chief Petitioner, Measure 3-407

(Deleted language from City Attorney's draft appears [in boldface within braces]; added language appears in boldface and underlined)

Urban renewal agencies in Oregon are established by Oregon statutes and are separate municipal entities from cities. Urban renewal agencies may issue bonded indebtedness to fund projects under an urban renewal plan upon the approval of the agency's governing body (an Urban Renewal Commission or "URC"). This measure would amend the Oregon City Charter by adding an additional step, beyond current state law, of voter approval for bonded indebtedness issued by the URC. Urban renewal plans must be approved by the City to be effective. While the City may not, in a charter amendment, directly restrict the Oregon City Urban Renewal Commission, this measure [seeks to] imposes the voter approval requirement, in part, by adding that requirement to [existing urban renewal plans, and to] any future urban renewal plans and plan amendments that are approved by the City Commission.

Additionally, while the Question in the ballot title refers to "future" urban renewal plans, the measure [seeks to affect all urban renewal plans, including those already approved and for which bonded indebtedness is authorized.] also amends existing urban renewal plans to add the requirement that any future bonded indebtedness under those plans must be approved by the electorate. The measure [seeks to] requires voter approval for future bonded indebtedness that finances existing urban renewal projects for which bonded indebtedness is currently permitted, unless the URC enters into a binding, written commitment for those projects, or issues bonded indebtedness for those projects, before the measure takes effect. [This is because the measure seeks to amend existing urban renewal plans to require such a vote.] Likewise, the measure requires an authorizing public vote prior to issuance of bonds that are already authorized, but not yet issued.

The measure <u>provides exceptions to the voter approval requirement</u> for [allows bonded indebtedness to be issued without voter approval to] refund <u>of</u> borrowings that were executed before the measure takes effect, and [to] finance[e]ing <u>of</u> written commitments of the URC that were made before the effective date of the measure.

The measure defines "bonded indebtedness" to mean any formally executed written agreement representing a promise by a unit of government to another <u>of</u> a specified sum of money, at a specified date or dates at least one year in the future. This means that the measure does not limit borrowings or other commitments of less than one year.