# PORTLAND CITY AUDITOR



In the Matter of: Violations of Disclaimer Requirements by Rene for Portland Committee

No. \_\_\_\_\_

# COMPLAINT

This Complaint is filed by electors David Delk, Moses Ross, and James Ofsink, who reside in the City of Portland. This Complaint notes several violations of the disclaimer requirements of Portland City Charter Portland City Charter § 3-303, which states in part:

# **3-303** Timely Disclosure of Large Contributions and Expenditures.

- (a) Each Communication to voters related to a City of Portland Candidate Election shall Prominently Disclose the true original sources of the Contributions and/or Independent Expenditures used to fund the Communication, including:
  - (1) The names of any Political Committees and other Entities that have paid to provide or present it; and
  - (2) For each of the five Dominant Contributors providing the largest amounts of funding to each such Political Committee or Entity in the current Election Cycle:
    - a) The name of the Individual or Entity providing the Contribution.
    - b) The types of businesses from which the maker of the Contribution has obtained a majority of income over the previous 5 years, with each business identified by the name associated with its 6-digit code of the North American Industry Classification System (NAICS).
  - (3) For each of the largest five Dominant Independent Spenders paying to provide or present it:
    - a) The name of the Individual or Entity providing the Independent Expenditure.
    - b) The types of businesses from which the maker of the Independent Expenditure has obtained a majority of income over the previous 5 years, with each business identified by the name associated

with its 6-digit code of the North American Industry Classification System (NAICS).

- (b) If any of the five largest Dominant Contributors or Dominant Independent Spenders is a Political Committee (other than a Small Donor Committee) or nonprofit organization, the prominent disclosure shall include its top three funders during the current Election Cycle.
- (c) The disclosure shall be current to within ten (10) days of the printing of printed material or within five (5) days of the transmitting of a video or audio communication.

# Large Postcard Violation of Disclaimer Requirements

On October 18, 2022, complainant received the attached large postcard from the Rene for Portland Committee. The postcard does not prominently disclose any of the Dominant Contributors to the campaign. One such Dominant Contributor is Schnitzer Property Management LLC, which contributed to the campaign two downtown Portland parking spaces at no cost to the campaign for the months of May - September 2022. The City's Small Donor Elections program quantified the value of the in-kind contribution of parking spaces in its Notice of Determination; Violation and Civil Penalty letter to the Rene for Portland Committee on October 20, 2022:

# Parking

Schnitzer included in its lease with Rene for Portland two parking spots per month at no cost. The Small Donor Elections Program estimated the value of a parking space at \$230 per month. The Auditor's Office therefore finds the monthly amount of subsidized parking by Schnitzer is valued at \$460 for two parking spaces. At this rate, the total amount of subsidized parking provided by Schnitzer to Rene for Portland was \$2,760 for six months, beginning in May 2022 through October 2022.

Parking costs are not excluded from the definition of "contribution" under Code Section 2.10.080 E. The Auditor's Office finds Schnitzer is a limited liability company that qualifies as an "entity" under the Code's definition.

The Small Donor Elections program rejected the campaign's request for reconsideration. Documentation about that proceeding is available at https://www.portland.gov/smalldonorelections/complaints-and-penalties.

This in-kind contribution of free parking spaces for at least 5 months (May -September 2022) made Schnitzer Property Management LLC a Dominant Contributor under the terms of Portland City Charter § 3-308(f):

"Dominant Contributor" means any Individual or Entity which contributes more than one thousand dollars (\$1,000) during an Election Cycle to a Candidate Committee or Political Committee.

As the free parking spaces were worth \$460 per month (\$15.33 per day), Schnitzer Property Management LLC became a Dominant Contributor on the 66th day after May 1, 2022. That was July 6, 2022.

# Application to Other Communications by the Rene for Portland Committee

The Portland City Charter required that every Communication by the Rene for Portland Committee after Schnitzer Property Management LLC became a Dominant Contributor (on July 6, 2022) display the required disclaimer identifying the Dominant Contributor and its sources of income. See Portland City Charter § 3-303(a). Portland City Charter § 3-308(d) defines Communication:

(d) "Communication" means any written, printed, digital, electronic or broadcast communications but does not include communication by means of small items worn or carried by Individuals, bumper stickers, Small Signs, or a distribution of ve hundred (500) or fewer substantially similar pieces of literature within any 10-day period.

Portland City Charter § 3-303(c) requires the disclaimer to be "current to within ten (10) days of the printing of printed material or within five (5) days of the transmitting of a video or audio communication." Thus:

- every printed Communication by the Rene for Portland Committee since July 16, 2022, except for the exempt ones, are violations of the disclaimer requirements of Portland City Charter § 3-303; and
- (2) every video or audio Communication by the Rene for Portland Committee since July 11, 2022, except for the exempt ones, are violations of the disclaimer requirements of Portland City Charter § 3-303.

The campaign's websites qualify as video Communications.

#### **Appropriate Penalties**

Portland City Charter § 3-305(d) specifies:

(b) Each violation of any provision in this Article shall be punishable by imposition of a civil fine which is not less than two nor more than twenty times the amount of the unlawful Contribution or Expenditure or Independent Expenditure at issue.

The Auditor should quantify the expenditures by the Rene for Portland Committee on printed Communications since July 16, 2022, and on video or audio Communications since July 11, 2022, and assess the required penalties.

#### **Request for Notifications**

Please keep us informed about all developments regarding this complaint at the email addresses below. Also, please maintain confidentiality of the physical addresses provided. Thank you.

Dated: October 24, 2022

David Delk

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AN

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# TOGETHER WE CAN DO BETTER

# PORTLAND CITY COUNCIL www.ReneForPortland.com

Rene Gonzalez is a 5th generation Portlander who will **bring Portland back together** after the divisiveness that has plagued our city in recent years.

**Rene will work to protect Portland** and ensure that **all people**, from those who are suffering in unhoused encampments, to our neighborhoods that are under siege **all have a voice** at City Hall.

Taking a hands-off approach to crime and homelessness is not progressive or compassionate, it is dangerous and harmful. Rene has the courage to address Portland's problems and protect the most vulnerable among us.

# BY NOV. 8<sup>TH</sup>, VOTE DEMOCRAT RENE GONZALEZ FOR CITY COUNCIL.





### RENE GONZALEZ WILL COMBINE DATA-DRIVEN INSIGHTS WITH HIS PASSION FOR REAL SOLUTIONS TO ADDRESS THE DIFFICULT ISSUES PRESSING PORTLAND.

**HOMELESSNESS:** We have a crisis of addiction and mental illness on our streets, not just affordable housing. Taking a hands-off approach is not compassionate or progressive, it is dangerous and inhumane.

**CRIME & PUBLIC SAFETY:** Many of our neighborhoods have become too dangerous. Together we can make Portland safe and livable again while being responsive and accountable to the diverse local communities that define who we are and make Portland such a great place to live.

**FAMILY WAGE JOBS AND A STRONG MIDDLE CLASS:** Our economic recovery should be built on a strong middle class. This means investing in **ALL of Portland**, not just downtown. It also means supporting trade unions that offer family wage jobs and excellent benefits, as well as apprenticeship programs that provide a pathway to skilled employment in critical sectors serving the local economy.

# **RENE GONZALEZ** DEMOCRAT FOR PORTLAND CITY COUNCIL

ReneForPortland.com
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