



PORTLAND BUSINESS ALLIANCE

Leading the way

May 11, 2010

The Honorable Sam Adams
City of Portland
1221 S.W. Fourth Avenue, Room 340
Portland OR 97204

Dear Mayor Adams:

As the City of Portland navigates through these tough economic times and worsening budget cuts, the Portland Business Alliance urges the city to focus its spending on programs and services that are essential for human health and safety and those that promote economic development and job creation. In this vein, the Portland Business Alliance urges you to sunset the Campaign Finance Fund program at this time and redirect spending from the fund to essential programs and services.

In 2005, then-Commissioner Erik Sten led the effort to authorize the use of public funds to finance campaigns for city council, mayoral and auditor races. Since council adoption, that initiative has cost the city over \$1.5 million for publicly subsidized campaigns. That expenditure has resulted in fraudulent revenue use by one candidate, and the election of a grand total of one incumbent and one new commissioner. As you know, council will consider referring this initiative to the ballot in November. While we led an effort in the past to refer this to the voters, the urgency of the budget crisis requires prioritizing essential services. Therefore, we urge council to sunset this program now, rather than wait for another election cycle.

Over the life of the program the city has spent an average of \$400,000 per year to subsidize campaigns. In the context of the draft 2010-2011 budget discussions, that money would be enough to restore at least four police officer positions. We believe that public safety is essential and a more necessary use of scarce city dollars than subsidizing campaigns.

The Alliance is on record opposing the Campaign Finance Fund effort since its inception. While we support a robust democracy, we do not think any candidacy or campaign merits a public subsidy. As city revenues continue to decline and bureaus are forced to cut programs, it is imperative that council preserves funding and redirects resources to public safety, human services and economic development.

We recommend that council sunset the Campaign Finance Fund without taking it to the November ballot. Further, we recommend the allocated expenditures for the Campaign Finance Fund be redirected to fund critical economic development and job creation programs. This focus will help us emerge from the economic recession faster and generate more budget revenue for important programs and services.

Sincerely,

A handwritten signature in black ink that reads "Sandra McDonough". The signature is written in a cursive, flowing style with a long, sweeping tail on the "y".

Sandra McDonough
President & CEO