

Amy Johnson

From: Brian Hines <brianhines1@gmail.com>
Sent: Friday, February 17, 2017 11:14 AM
To: citycouncil
Cc: CityRecorder
Subject: Advance testimony for Feb. 6 police facility work session

Categories: Follow-up

Dear Mayor, City Councilors, and other city officials:

I'm submitting a blog post I wrote about a new police facility bond measure as advance testimony for the City Council work session that will be held on Tuesday, February 21. Though the post is lengthy, I needed 2,000 words to say what needed to be said about the importance of seismic retrofitting City Hall and the Library if a PLAN B bond measure is to have a good chance of passing.

As noted in the post, I realize that some City officials discount the absence of seismic retrofitting from the first \$82 million bond measure as a key reason why it failed. However, I present evidence and arguments to the contrary which I hope you will seriously consider. Here's a link to the blog post if you'd prefer to read it online.

<http://hinessight.blogs.com/salempoliticalsnark/2017/02/why-regret-is-key-to-passing-a-new-salem-police-facility-bond-measure.html>

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Why "regret" is key to passing a new Salem police facility bond measure

Along with my [Salem Community Vision](#) colleagues, I'm an avid supporter of the plan SCV released at last Monday's City Council meeting for a new \$66 million bond measure that includes \$46 million for a 115,000 square foot police facility, plus \$20 million for lifesaving seismic retrofitting of City Hall and the Library.

REDUCED COSTS BASED ON BEAVERTON MODEL & LOWER PERCENTAGES

THIS MODIFIED COST ESTIMATE INCLUDES 115,000 POLICE (at Beaverton costs) PLUS BOTH SEISMIC PROJECTS plus MOVING COSTS

Salem Police Project Budget Analysis

ALTERNATIVE PROGRAM WITHOUT WVCC & MIN GROWTH & REDUCED PKG STRUC

Date: February 13, 2017

			CONSULTANTS NUMBERS	NEW NUMBERS	
A	Building Construction (current dollars)	115,000 GSF	-\$299 per SF \$270 target	\$34,385,000	\$28,750,000
B	Parking Structure Construction (current dollars)	reduce to 50 police cars on the deck	500 STALLS 50 stalls	\$2,645,000	\$ 1,322,500
C	Site and Demolition Construction (current dollars)		255 STALLS 255 stalls	\$2,991,000	\$ 1,150,000
D	Solar Allowance (required per OAR 330-135)	1.50%		\$600,000	\$ 468,338
E	Off-Site Construction (eg: Intersection Improvements)			\$0	\$ 0
F	Fixtures, Furniture and Equipment	5%		\$1,852,000	\$ 1,561,125
G	Art Allowance (required per SRC 15)	0.5%		\$200,000	\$ 156,113
H	Development Costs	12.70% -13.75% reduce by 1% (no out of state consultant)		\$5,840,000	\$ 3,980,869
J	Property Acquisition Budget	hire the Beaverton architect (hourly) to advise local architect		\$5,473,000	\$ 5,473,000
K	Bond Issuance Expenses (required)	1%		\$540,000	\$ 312,225
L	Escalation (Execute a design-build contract within 6 months)	3.5% -9.10% reduce to 6 months constr. inflation		\$4,503,000	\$ 1,092,788
M	Contingency Beaverton used 5% of the total construction	5.0% 9%		\$4,907,000	\$ 1,561,125
Project Budget Total				\$63,936,000	\$45,828,083

LET'S PASS THIS \$66.3M BOND MEASURE!

Note:

1. Contingency EXCLUDES Escalation
2. Line J - Budget provided by City of Salem based recent and comparable sales
3. Off Site Construction would be funded through Urban Renewal for Liberty & Division Intersection Improvements
4. Line B: structured parking out in half to 50 police cars
5. SWAT vehicles to stay at Window To West (5 mins. away) for cost reduction
6. Line A: set goal of \$250 per sq.ft. instead of \$299. Line M covers it.
7. Line M: use same contingency as Beaverton: 5%
8. Keep all consultants local. Use Beaverton consultant as an advisor (hourly fee)
9. Percentages are based on G.C. total general construction contract amount (line A+B+C) \$31.2M
10. Seismic costs are from MSC Engineering reports & Dalke Construction estimates (total \$15M)
11. Architectural/Electrical/Mechanical allowance of \$5M to address damage caused by structural work.
12. SCV recommends add \$0.5M to cover police move, and the library moving during seismic work.

\$508 per sq.ft. without land

\$351 per sq.ft. without land

\$389 Beaverton

NET SEISMIC STRUCTURAL (both buildings)

\$15,000,000

Dalke Estimate

ADD ARCHITECTURAL

\$ 5,000,000

(repair of surfaces, electrical, mechanical)

TOTAL BOND MEASURE

\$45,828,083 + \$0.5M move

\$46,328,083 total amount

DLR Group

Salem Community Vision

Geoffrey James A.I.A. ARCHITECT

CB Two ARCHITECTS

Now, there are other PLAN B options that will be considered by the City Council at a February 21 work session.

There's been quite a bit of talk among some councilors that making City Hall and the Library earthquake-safe shouldn't be part of a new police facility bond measure, because the lack of this seismic retrofitting supposedly wasn't a factor in the defeat of Measure 24-399, the original \$82 million bond measure for a 148,000 square foot police facility that was defeated by voters last November.

So an option being considered by these councilors is to put a reduced cost/size police facility plan on the May 2017 ballot, delaying a vote on a bond to seismically retrofit the Civic Center buildings until November 2017.

This would be a big mistake. (I'm so confident about this, I put it in boldface.)

Here's my reasons.

First, I led the fight against Measure 24-399. I wrote all of the "Vote No" materials. I spoke at most of the meetings where the bond measure was debated. I designed a [Salem Can Do Better](#) web page. And I handled the Facebook campaign that urged a no vote on the \$82 million plan. Thus I have a good feel for what arguments resonated with voters, and which didn't.

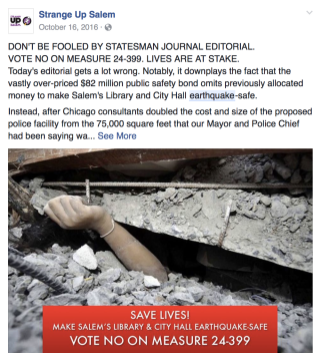
People certainly were concerned about the excessive size and cost of the proposed police facility. However, a highly compelling argument used the "pro" campaign's *Keep Salem Safe* slogan against them.

I'd point out that actually Measure 24-399 only made Police Department employees safer, because they would be moved out of the ground floor of City Hall -- a building that will almost certainly collapse when the next Big One Cascadia Subduction Zone earthquake hits (a matter of when, not if) -- into a new police facility built to modern seismic standards.

Then I'd say that other City employees will be moved into the same City Hall space, so *they* now will be the ones who will be crushed to death under tons of rubble. "If it is important to save the lives of Police Department staff," I'd argue, "it is equally important to save the lives of *everybody* who works at or visits City Hall and the Library, including children at Storytime."

The Facebook posts I wrote on this theme proved that earthquake safety was a central concern of voters. When I'd write something logical about the excessive cost and size of the police facility, a post would get a Facebook yawn, so to speak. Just a few comments, likes, and shares.

However, if I put up a post about the need to save lives of people at City Hall and the Library by making seismic retrofitting of these buildings part of a public safety/police facility plan, the response would be hugely greater. Here's an example. This is a screenshot of an October 2016 post on my Strange Up Salem Facebook page.



And this is a screenshot of the responses to the post. Only the page administrator, me, can see how many people were contacted both by the "organic" unpaid reach, and the "boosted" paid reach -- which together totaled 19,159 Facebook users on just this post alone, in large part because 91 people shared the post with their Facebook friends.



So I know that making City Hall and the Library earthquake-safe is of great concern to people in Salem. Based on my experience fighting Measure 24-399, I'm convinced that voters were as bothered by the lack of seismic retrofitting for these buildings in the bond measure, as they were bothered by the excessively high cost and size of the \$82 million, 148,000 square foot police facility.

Why?

Well, this is a tough question to answer, because the dynamics of human emotions and cognition are still largely a mystery. Why we do what we do, feel as we feel, and think as we think is almost as much of an art as a science.

Researchers are making a lot of headway in understanding how our minds work, though. Clearly, we are not Spock-like highly rational beings who coolly assess arguments and evidence, then make a logical decision. Not about how to vote on a ballot measure. Not about anything.

I've read lots of neuroscience and psychology books about this subject, including Daniel Kahneman's "[Thinking, Fast and Slow](#)." Kahneman won the Nobel Prize in Economics for his research into the non-logical, non-quantitative ways we humans view the world and decide what to do. This morning I was reading a chapter in a book by Michael Lewis about Kahneman and his associate, Amos Tversky, "[The Undoing Project](#)."

Here's a passage that describes what Kahneman and Tversky set out to undo.

"By the summer of 1973, Amos was searching for ways to undo the reigning theory of decision making, just as he and Danny had undone the idea that human judgement followed the precepts of statistical theory. On a trip to Europe with his friend Paul Slovic, he shared his latest thoughts about how to make room, in the world of decision theory, for a messier view of human nature.

Later in the chapter, Lewis describes some experiments where people are asked to choose between two situations that involve different chances of winning various amounts of money. I'll leave out the details of the choices and jump to the conclusions.

Danny [Kahneman] wasn't inclined to see the paradox as a problem of logic. It looked to him like a quirk in human behavior. "I wanted to understand the psychology of what was going on," he said. He sensed that Allais himself hadn't given much thought to why people might choose in a way that violated the major theory of decision making.

But to Danny the reason seemed obvious: regret.

In the first situation people sensed that they would look back on their decision, if it turned out badly, and feel they had screwed up; in the second situation, not so much. Anyone who turned down a certain gift of \$5 million would experience far more regret, if he wound up with nothing, than a person who turned down a gamble in which he stood a slight chance of winning \$5 million [note: and also a slight chance of winning \$25 million].

If people mostly chose option 1, it was because they sensed the special pain they would experience if they chose option 2 and won nothing. Avoiding that pain became a line item on the inner calculation of their expected utility. Regret was the ham in the back of the deli that caused people to switch from turkey to roast beef.

...Happy people did not dwell on some imagined unhappiness the way unhappy people imagined what they might have done differently so that they might be happy. People did not seek to avoid other emotions with the same energy they sought to avoid regret.

When they made decisions, people did not seek to maximize utility. They sought to minimize regret. [emphasis in original]"

After I read these passages this morning, I was blown away by how closely this reflected both my own feelings about the Salem police facility plan, and why I believe many voters said "no" to Measure 24-399.

For several years I've testified numerous times at different sorts of hearings about the need to seismically retrofit City Hall and the Library, so I'm more tuned in to this issue than most people. One of my conscious motivations is how much it would bother me if the Big One earthquake hits before these buildings are made earthquake-safe and people inside die, trapped under massive chunks of collapsing rubble.

Knowing of this danger, I would feel *massive regret* for the rest of my life if I didn't feel that I did everything I could to prevent that from happening. And I'm virtually 100% certain that many voters felt the same way, albeit in their own personal fashion.

Recognizing (because I and others told them) that the City of Salem originally planned to include money to seismically retrofit at least the Library, and maybe also City Hall, in a police facility bond measure, but the seismic upgrades were dropped after the size and cost of the planned police facility doubled, I'm convinced that voters knew that a "yes" vote on Measure 24-399 was an endorsement of leaving people who work in or visit the Civic Center buildings at high risk of dying in the next Cascadia Subduction Zone earthquake.

And the same feeling, the same knowledge, will hold true in a May 2017 second-try bond measure election if City officials once again omit money for seismic retrofitting of City Hall and the Library.

Yes, the City Council has talked of putting a police-facility-only bond on the May ballot, and a Civic Center seismic retrofitting bond on the November ballot. But this plan stands a good chance of failing, because of the *regret* issue.

Lots of people want the Salem Police Department to have a new police facility. Lots of people want City Hall and the Library to be earthquake-safe. It simply makes sense to have all of these people voting "yes" for a bond measure that accomplishes both goals. If seismic retrofitting is put off, the regret card still comes into play.

I and others will think: "There's no guarantee a separate November bond measure for seismic upgrades would pass. And even if it did, this postpones the seismic retrofitting of City Hall and the Library for at least six months. What if the Big One earthquake happens before the retrofitting is completed, like three months before? Then I'll feel a ton of regret that lives were lost because the retrofitting bond measure was put off until November."

I realize that rational counter-arguments can be made to this, using the sort of logic that economists and psychologists *used* to think prevailed in the human decision-making psyche. But in large part because of Kahneman and Tversky, we now know that emotions such as regret play a large role in why people do what they do and feel as they feel.

So City officials, including city councilors, will be making a mistake if they think arguments such as the following are going to be sufficient to sell a new police facility bond measure to voters.

- "It only costs the average home owner a few dollars a month."
- "The current Police Department quarters are really crowded and inadequate."
- "Expert consultants told us what the cost should be."

These aren't bad arguments. But proponents of Measure 24-399 had over a hundred thousand dollars to make them last time, and this wasn't enough to entice a majority of voters to say "yes."

This time around, a new police facility ballot measure will be facing these potential headwinds:

- "Didn't we just vote on this?"
- "What's the rush for another vote?"
- "The cost is still really high."
- "Making the Library and City Hall earthquake safe still isn't included."

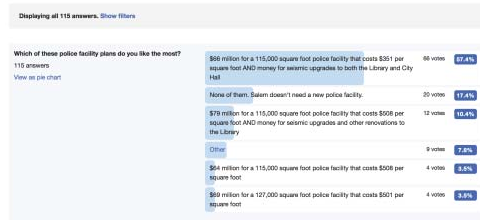
I've argued here that the last item, seismic retrofitting of the Civic Center buildings, is a crucial element of a bond measure because it is so emotionally fraught.

Visualizing children dying when the Library collapses in the Big One earthquake is a more potent motivation to vote "no" on a police facility-only bond measure than is an argument that, for example, interview rooms and evidence storage space are inadequate in the current Police Department location.

Many voters, either implicitly or explicitly, can imagine the regret they would feel if they didn't do all they could to make the Library and City Hall earthquake-safe in advance of the Big One quake that is sure to come, the only question being *when*?

If City officials decide to once again omit seismic retrofitting of the Civic Center buildings from a public safety bond measure where a central rationale for a new police facility is that City Hall is unsafe for Police Department staff to be in, this offers up a potent argument to vote "no" on the measure, just as it did with the previous bond measure.

Lastly, here's a screen shot of the first 115 responses to a Facebook survey I posted yesterday afternoon on behalf of Salem Community Vision. When asked which of four police facility options are most liked, 57% favor a \$66 million plan that includes seismic retrofitting of both City Hall and the Library, and 10% favor a \$79 million plan that includes seismic retrofitting and other renovations to the Library.



Two standalone options for a police facility only are favored by just 7% of respondents so far. So these early responses are running 11 to 1 in favor of including seismic retrofitting in a new bond measure.

How much does *regret* play a role in this? Hard to tell. But solid psychological research says, *probably quite a bit*, whether consciously or unconsciously.

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