

Ruth Stellmacher

From: Brian Hines <brianhines1@gmail.com>
Sent: Thursday, June 18, 2020 10:12 PM
To: citycouncil
Cc: CityRecorder
Subject: Blog post testimony re. appeal of 298 Taybin Road purchase

Here's a link to a blog post I wrote tonight about an agenda item for the June 22 City Council meeting. Please include this email message as testimony for agenda item 3.3e.

<https://hinessight.blogs.com/salempoliticalsnark/2020/06/shady-stuff-associated-with-salem-city-council-agenda-item.html>

This is how I introduced the post on Facebook.

Next Monday the City Council will hear an appeal involving purchase of some Taybin Road property by the City of Salem. What's most interesting about this is that the property is earmarked for future Marine Drive construction.

But I've been told that the City Council hasn't authorized purchase of right-of-way for Marine Drive in the Taybin Road area.

So there's reason to believe that Peter Fernandez, the Public Works Director, paid a seller double the market value of a house that used to be on the property in the hope a Third Bridge would come back to life, requiring Marine Drive to be built adjacent to Wallace Marine Park, the location of the property.

I've copied in the blog post below, since it is testimony for the appeal.

Shady stuff associated with Salem City Council agenda item

By and large, I'm no conspiracy theorist. But I'm always ready to believe that when it comes to goings-on with the City of Salem, what appears innocent and boring at first glance may be the tip of a non-innocent non-boring "iceberg" below the surface.

So I said "sure" when someone asked if I wanted to learn the backstory behind an appeal of a Systems Development Charge expenditure for the purchase of a house at 298 Taybin Road NW in West Salem. The appeal is on the agenda of the June 22 Salem City Council meeting.

Before getting to the backstory, here's the first outrageous thing that caught my eye when I looked at the appeal agenda item. The staff recommendation to reject the appeal comes from Peter Fernandez, the Public Works Director -- who also happens to be the person at the center of the controversial decision to purchase the Taybin Road property.

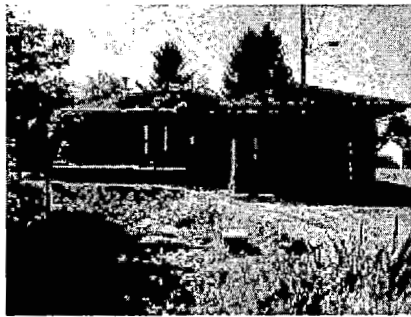
Sure, this is common in government bodies. The person who did something that you're upset with, and want to appeal, turns out to be the person who will initially review the appeal. But just because a practice is common doesn't make it right.

Hopefully the members of the City Council understand that when they see a staff analysis recommending denial of an appeal, often, if not usually, there is a decided conflict of interest at play.

Another outrage is that I've been told the City Recorder will not allow the appellant, E.M. Easterly, to appear for his hearing. So the City staff get to address the Council using video but Easterly can only submit written testimony (currently City Council meetings are virtual, being streamed online, with no in-person audience).

This seems crazy. Zoom can handle dozens, or even hundreds, of participants. Other city councils are allowing people to testify online. Why isn't the City of Salem doing this?

At any rate, the appeal to be discussed next Monday involves whether the correct pot of money was used to purchase the house at 298 Taybin Road NW. More correctly, the house that *used to be* at this address, since I was told that Peter Fernandez had it torn down before closing on January 20, 2020.



Zillow Edit Save Share More Close

2 bd 1 ba 832 sqft
298 Taybin Rd NW, Salem, OR 97304
Sold: \$402,761 - Sold on 01/20/20 Zestimate®: \$214,929
Est. refl payment: \$1,942/mo Get current rates

Home page Owner tools Home details Neighborhood details Similar homes

Home value



Zestimate
\$214,929



ZESTIMATE RANGE
\$187,000 - \$234,000



LAST 30 DAY CHANGE
+\$1,081 (+0.5%)

The City of Salem paid \$402,000 for the 832 square foot house, which Zillow estimates was worth \$215,000. I've heard that attorney Bob Vick bought the house for about \$200,000 and resold it to the City for close to twice the price within six months, a pretty darn good return on investment.

(The City Council might want to ask staff why the price paid for this house was so high.)

A staff analysis prepared for the appeal says why the house was purchased. I've **boldfaced** a provocative part.

In October 2019, staff recommended to Council acquisition of this parcel for immediate use as stormwater detention, streambank conservation, and **possible future use for Marine Drive NW construction**. Given its immediate planned use, staff recommended use of Stormwater System Development Charge funds for its acquisition. Future use of the western portion of the parcel for transportation purposes would require reimbursement to the Stormwater SDC fund for that portion of the property.

That mention of Marine Drive NW leads into the most interesting part of the backstory, as expressed in the following theory.

A key question is why Peter Fernandez, the Public Works Director, authorized purchase and removal of the house, possibly using the wrong source of funding. Well, maybe because the house was in the path of an approach to the Third Bridge that the Chamber of Commerce was promising would be resurrected with a record amount of campaign spending in the May 2020 City Council primary election.

However, the election ended up with the same 6-3 progressive majority on the City Council, which meant that, for the foreseeable future, the dream of the Third Bridge that still holds sway among key City staff, the Mayor, and several city councilors will not come to pass.

Yet in October 2019 that dream seemed like it could become reality, if enough progressives were defeated in the upcoming 2020 City Council elections to turn a 6-3 majority into at least a 5-4 minority.

What I've been told is that on June 10, 2019, the City Council directed City staff *not* to buy right-of-way that includes 298 Taybin Road when it adopted a motion from Councilor Kaser to buy property for Marine Drive from 5th Ave and Cameo Street to River Bend Road.

So the nearly \$3.6 million of 2008 Streets and Bridges Bond Funds could not be used to buy 298 Taybin. Thus, goes the theory, Peter Fernandez reached into his bag of funding tricks and picked a source of funding that, according to the E.M. Easterly appeal, is not appropriate.

Further, the Proposed Budget Book 1, page 204, that is up for final approval at Monday's City Council meeting still states that the approximate \$3.6 million carryover funding for Marine Drive is to initiate street improvements from Glen Creek to Cameo, which is counter to Kaser's adopted motion.

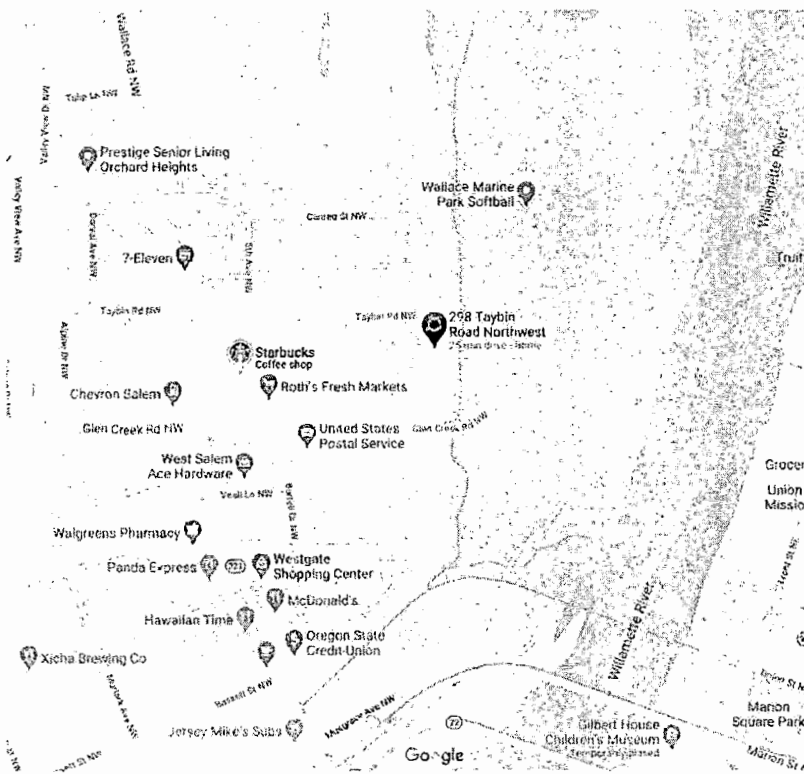
This seems to show that City of Salem staff really want Marine Drive to go east of Pioneer Village and along the edge of Wallace Marine Park. It is as if those staff either did not notice the City Council decision on June 10, 2019 to purchase Marine Drive Right of Way between 5th Ave and River Bend Road, or they just want to keep ignoring the role of the City Council in setting policy for the City of Salem.

To me, what's most concerning about the purchase of the Taybin Road house is that on June 10, 2019, as the City Council considered what right-of-way to buy for Marine Drive, reportedly the Public Works Director said that the City will buy whatever right-of-way the Council decides on.

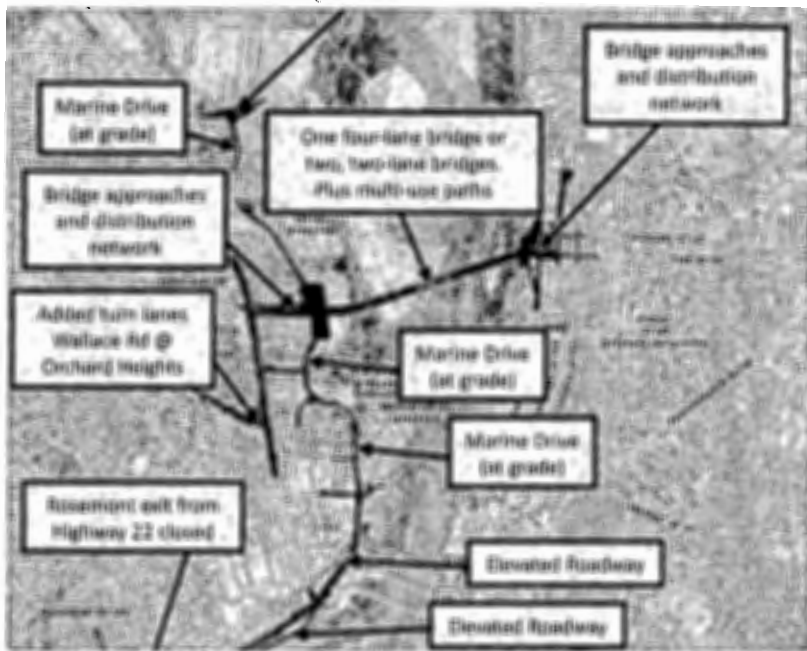
But that's not how it turned out. The City Council picked one route and the Public Works Director bought right-of-way at twice the market value in a different location that had a house on it which could have been available as affordable housing stock if it hadn't been torn down.

Here's some maps that make more clear the issues at stake here.

Below is a screenshot of a Google Maps image, with the Taybin Drive house address shown by the red marker. That address is considerably south of Cameo Drive, which Councilor Kaser's motion said should be the southern edge of the Marine Drive right-of-way acquisition. So why is the Public Works Department buying the Taybin Drive property for a possible future Marine Drive construction?



And here's a screenshot of part of a Salem River Crossing (Third Bridge) planning document that I found on Google Images. You can see that the plan was for bridge traffic to be funneled along Marine Drive, some of which would run close to and parallel to Wallace Marine Park -- right where the Taybin Drive house was located.



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