



February 14<sup>th</sup>, 2024

Mayor Ted Wheeler  
Commissioner Rene Gonzalez  
Commissioner Mingus Mapps  
Commissioner Carmen Rubio  
Commissioner Dan Ryan

**Re: Portland Enhanced Service District Program Assessment and Recommendations  
(Agenda Item 157)**

Mayor Wheeler and Commissioners:

Downtown Portland Clean & Safe, Central Eastside Together, and the Lloyd Enhanced Service Districts (ESDs) write together to express our united support for the assessment and recommendations provided by BDS Planning regarding Portland's ESD program. The comprehensive review undertaken by BDS Planning offers a roadmap for how Portland can modernize its ESD program to maximize the benefits of this essential public-private partnership model.

BDS Planning's approach is grounded in an analysis of national best practices for ESD operations and affirms the ESD management association structure used here in Portland as a national best practice. The assessment recognizes institutional collaboration between private and public sectors as crucial to maintaining livability and economic vibrancy in cities across the nation.

We acknowledge the need for greater clarity in fee calculations, especially for residents of our districts. The proposal for an updated assessment mechanism, including a cap on fees for residential units in the central city, represents a fair and equitable approach to funding enhanced services. We are committed to working in support of the city in its efforts to evaluate and modernize these policies.

We are also pleased with the proposal to create guidelines facilitating the creation and operation of ESDs. We notice current assessment and fee collection methodologies de facto only allow for the formation and operation of ESDs within the central city. We strongly support the adoption of new policies or policy changes that will facilitate the growth of new ESDs across Portland. City policy should be updated to ensure that every neighborhood business district in the city has a realistic path to establishing its own ESD. These recommendations are a step forward in distributing the benefits of ESDs city-wide, so all communities, regardless of density, can enjoy the services ESDs provide.

We wholeheartedly agree with the recommendation that the City of Portland should meet its baseline service agreement outlined in each ESD's Scope of Work contract with the city. ESDs continue to spend a disproportionate amount of our budgets and staff time on security and janitorial services, deviating from national best practices and our stated purpose of providing enhanced services and economic development related activities. ESDs support an updated Scope of Work tracking mechanism to provide greater accountability.

The emphasis on governance transparency is also well received. Both Downtown Portland Clean & Safe and Central Eastside Together have embraced updated reporting requirements during recent district renewal processes. While we support the intent of the recommendations to require public comment at ESD board meetings and the public posting of board minutes, we suggest a better approach: Requiring annual meetings with all ESD ratepayers to ensure that all voices are heard equally when considering stakeholder input.

Finally, we want to thank Mayor Wheeler for formally acknowledging that the 2021 audit of ESDs was deeply flawed in its methods, inputs, and data collection processes. The undisputed fact is that the audit was co-authored by a lobbying organization which had a stated political agenda of ending ESDs. We commend the Mayor and the Office of Management and Finance for elevating this process above tainted dialogue, which the audit fomented, to deliver a set of recommendations based on national best practices.

We can all agree that the ESD program, and all city programs, should aspire to these identified national standards.

As we express our support for these recommendations, we also wish to extend our gratitude to Mayor Wheeler and each city Commissioner for your continuous engagement and collaboration with the ESDs as we continue our partnership to recover and grow our beloved central city. Your dedication to improving and maintaining the condition of our central city has been heroic. We look forward to strengthening our partnership and collaborating to implement these recommendations.

*Mark Wells*  
Executive Director  
**Downtown Portland Clean &  
Safe**

*Carolyn Holcomb*  
Executive Director  
**Central Eastside Together**

*Owen Ronchelli*  
Executive Director  
**Lloyd District**