

## The Oregonian

# Portland adds more businesses exempt from voter-approved retail tax, lowering estimated revenue by \$10 million

*By Everton Bailey Jr.  
December 13, 2019*

Portland officials have exempted businesses in three industries from a city tax on large retailers, one year after voters approved the measure to fund clean-energy grants. The move means the city could collect up to 20 percent less than originally estimated from the Portland Clean Energy Surcharge.

The Portland City Council voted 4-0 Thursday to amend the city code to exclude construction companies from being defined as a large retailer subject to the 1% surcharge on annual retail sales. The code change also exempts the sales of some retirement plans and residential garbage services. Commissioner Nick Fish was absent.

The surcharge on large retailers applies to businesses with at least \$1 billion in annual revenues nationwide and at least \$500,000 in yearly Portland sales. Voters approved the initiative in November 2018. The tax went into effect Jan. 1. Utilities, credit unions and co-ops were already exempt, as were the sales of health care services, most groceries, medicine and prescription drugs.

The new exemptions come after pressure from the Portland Business Alliance as well as representatives of construction and waste management companies who argued the city's definition of "large retailers" was too broad. The Portland Haulers Association, which represents the city's residential solid waste and recycling collection services, sent a memo to the Portland City Council in July asking that none of their members be categorized as large retailers.

Mayor Ted Wheeler said Thursday that the initial city policy wasn't perfect and a change was necessary to prevent increased costs on Portland customers and for large-scale construction projects such as schools and low-income housing.

"I acknowledge that these changes are less than ideal, however the [Portland Clean Energy Fund] will remain a model for the rest of the country, and I look forward to all of the good work to come," Wheeler said.

The tax is supposed to raise funding for clean energy projects, energy-saving retrofits for low-income homeowners and renters, green infrastructure and the creation of living-wage green energy jobs. Funds raised are meant to be prioritized to help Portland's low-income residents and communities of color.

The city initially estimated the surcharge could generate between \$54 million and \$71 million every year. The new exemptions decrease projections to between \$44 million and \$61 million.

The proceeds will be distributed as grants to nonprofit groups selected by a nine-person committee. The first round of grant funding — \$7 million — is planned for summer 2020.

Customers of some traditional retailers, such as Safeway and WinCo, have noticed on their receipts that surcharges have been tacked on to their purchases. In September, the city adopted new business tax administrative rules that emphasize that paying the clean energy surcharge is the legal obligation of businesses, but they can pass along surcharges of their own to customers.

The customer surcharges have led to lawsuits, including against AT&T, which is exempt from the Portland Clean Energy Surcharge but added extra fees in the name of the tax to customers' wireless bills.

Andrew Hoan, Portland Business Alliance president and chief executive, said in a statement to the city council that he supports the new exemptions.

“While we are disappointed the ordinance does not establish a comprehensive definition of retail that is consistent with widely recognized industry codes, the proposal represents a compromise that is worthy of support by the council and all stakeholders,” Hoan said.

Oriana Magnera, a member of the clean energy fund coalition's steering committee, told the city council during public testimony Thursday that her group didn't oppose the new exemptions, but would be against “any further erosion of the program.”

“All of these exemptions represent dollars that will not become available to support resiliency and investment in communities in the face of the climate crisis and that's a loss,” she said. “It's worth naming that these exemptions take money out of the hands of black, indigenous and other communities of color and put it instead in the pockets of corporations.”

Wheeler said the city council would only be hearing future recommendations for code changes if they came from the nine-member advisory committee.

Commissioner Jo Ann Hardesty, who helped sponsor the measure before she was elected to the city council, said she and others who campaigned for it didn't know the city's definition of a large retailer at the time. She said it wasn't until after it was approved by voters that she discovered the definition was broader than they had anticipated.

Hardesty said she wouldn't have supported the initiative had she known there could be potential downsides for retirement accounts or constructions of schools or affordable housing.

She said the code amendments create more certainty for businesses and give the city the ability to move forward without the threat of lawsuits.

“Let's not be sad that \$10 million will no longer be there, because prior to [the Portland Clean Energy Fund], there were zero dollars,” she said. “This is a good day and I'm proud to vote, ‘Aye.’”

## **Fatal Portland police shooting highlights failures of mental health system, chief says**

*By Jayarti Ramakrishnan  
December 12, 2019*

Prior to being shot and killed by Portland officers on Sunday, Koben Henriksen had several recent encounters with local police, all of which ended without police force and with Henriksen in a medical facility. On Thursday, four days after Henriksen's death, Portland police released information describing prior encounters with the Portland man, noting that his death highlights failures in Portland's mental health system.

On Sunday, Henriksen, 51, was shot by police near Mall 205 after callers reported him walking in traffic and waving knives at passing cars. A dispatch recording from that afternoon, as well as interviews with Henriksen's father, reveal that the man may have been trying to get police to fatally shoot him.

## Officer-involved shooting near Mall 205 in SE Portland

Man fatally shot by Portland police near Mall 205 had recently attempted suicide by cop, suffered mental illness, father says

Koben Henriksen, 51, confronted officers with knives and was taken to a hospital weeks before he was fatally shot by Portland police, father says.

Police identified Justin Raphael as the officer who fired the fatal shots with a rifle. Officer Daniel Leonard fired less-lethal foam-tipped projectiles from a 40mm launcher. Police said officers tried to provide medical aid to Henriksen but he died at the scene.

“The intent of putting this information out is not to sway the outcome of any ongoing investigations, nor tarnish the character of the involved subject in any way,” Portland Police Chief Danielle Outlaw said in the statement. “This series of cases highlights the systemic failures of the mental health system, which continues to recycle individuals rather than resolve the underlying issues.”

Henriksen’s father, Frederick Henriksen, told The Oregonian/OregonLive that his son had contemplated suicide for about six months because of an unspecified mental illness.

He said he couldn’t comment directly on Sunday’s police response, but he criticized public mental health and courts systems that he said left his son to suffer on the street with a severe and persistent mental illness.

“If someone is as sick as Koben was — in a total psychotic break — not being able to force him on medications to save his life — that’s the main problem,” he said.

Two prior encounters with officers in the past four months were resolved peacefully, police said.

On Nov. 14, Koben Henriksen approached an officer getting into his patrol car and yelled at him. According to police statements, the officer asked how he could help, and Henriksen, who had a large blanket draped around him, flung the blanket away and revealed that he had a knife in each hand. Henriksen threatened to kill the officer and took a step forward. The officer yelled at Henriksen to drop the knives, and after some conversation with him, Henriksen did. He was arrested without police using force. He was taken to Providence Medical Center on a police hold.

On Aug. 22, officers found Henriksen camped on the property of Portland Adventist Academy. Henriksen told the officer he was glad he was there because “he needed someone to kill him and he thought police officers were the best option.” According to the police statement, Henriksen told officers he had unsuccessfully tried to get several military veterans to buy him guns. The officer talked to Henriksen, requested an ambulance, and Henriksen was taken to Adventist Health Portland for treatment.

An audit released last month found that Multnomah County is struggling to deliver mental health services to people with serious and persistent mental health issues, hamstrung by rising housing costs and a small supply of residential treatment facilities and housing programs.

The county serves fewer than half the people who could benefit from intensive mental health services, and the bar for state-ordered commitment to treatment is high. A judge must rule that a person is an imminent danger to themselves or others, or unable to take care of basic personal needs in a way that poses a serious risk.

Outlaw said the city welcomes new ideas, citing the Portland Street Response project. But she said such projects would not have led to a different ending for Henriksen, because the team would not have been dispatched to treat an armed person.

She asked mental health services to be held accountable after such events in the same way she said officers are scrutinized after fatal shootings.

“Law enforcement professionals are put in an impossible position, and we need the public to help prioritize effective and humane mental health treatment and demand urgent and immediate action,” she said.

## **The Portland Tribune**

### **PPB: Man killed by officers had knives**

*By KOIN 6 News*

*December 12, 2019*

The investigation into the fatal Sunday shooting is continuing and both of the officers involved are on paid administrative leave.

A man shot and killed by Portland police on Sunday was armed with knives, according to detectives.

Koben S. Henriksen was shot near Southeast 103rd Drive and Southeast Stark Street in the Hazelwood neighborhood on Sunday, Dec. 8.

Officers responded to the area after receiving a call from someone who reported a man with a knife in his hand in the street.

Police said officers approached the man and "a short time later, officers reported that shots had been fired." Investigators reported that both non-lethal and lethal rounds were fired.

Henriksen died at the scene. Homicide detectives said knives were recovered near the 51-year-old's body.

The officer who used lethal force is 7-year veteran Justin Raphael. Officer Daniel Leonard, an 11-year veteran, used less-lethal force. The involved officers have been placed on standard administrative leave.

This was the fifth deadly officer-involved shooting in Portland in 2019.

The investigation is ongoing. Detectives think there are others who witnessed the incident who they haven't yet talked to.