

From: P Zonek [<mailto:parkingzonek@gmail.com>]
Sent: Wednesday, February 04, 2015 4:45 PM
To: John Ogai
Cc: Chris Vetter; Jay Rogers; Kelly Sills
Subject: Zone K APPP scratch off parking permits

To: Encore Club

Hello John Ogai

The Zone K scratch permit policy announced by the December letter from the Portland Bureau of Transportation has been put in place to assure availability of on-street parking space for use by customers, visitors, and residents of Zone K. This policy applies to all businesses, organizations and residents in the Zone K area. The limits stated in this policy were a direct result of the October 2014 survey conducted by the Zone K Committee. These limits were established to manage on-street parking. They apply to everyone and every organization within Zone K and have nothing to do with the nature of Encore's business/operational model. The survey results as well as information and updates of Zone K issues and policy are posted at <http://parkingzonek.com/>.

The Zone K Area Parking Permit Program is established by Portland city code and administered by Portland Bureau of Transportation. Any further concerns or communication that you have should be directed to the Portland Bureau of Transportation.

Regards

Zone K Area Parking Committee

From: John Ogai [REDACTED]
Sent: Wednesday, January 28, 2015 10:12 PM
To: Alan Costley
Subject: Re: Zone K Scratch tickets

Alan

Please disregard last piece of communication you've received from Chris Vetter. He is my friend and having watched me tirelessly build Encore from zero for 4 years, he understandably worried but at times his responses are emotionally charged. I certainly absolutely not going to escalate anything or take any kind of legal action. That's just nonsense to me in this situation. I clearly understand your position and where you are coming from and like I said your line of reasoning makes perfect sense to me, it's just I ended up in this unenviable position.

I understand that we are unusual situation due to the nature of our business and our parking needs as a business don't really align with the spirit of the Zone K program, that's why, as I've mentioned over the phone, I am absolutely willing to contribute significant portion of the club's income towards alleviating this issue and redirecting customers to other parking options outside of Zone K area but if you could also extend your hand and help a small business in your neighborhood who ended up in this situation.

Would you consider an allowance of 5 scratch offs a day, 5 days a week (mostly concerned with Monday through Friday). Which works out to 100 a month and 1200 scratch offs a year? I will take care of the rest of the customers by subsidizing their parking needs outside of Zone K parking options. (Tournament that starts at noon usually goes until 6-7pm and half of those people not going to stick around for more than 2-3 hours but still would want to secure long term parking in case they go all the way to the finish, so really the problem isn't as big as it seems, Zone K wise. Our busiest time is night time when most people are off work, parking is free and most importantly we have a parking lot all to ourselves).

As a side note, I know that poker as a form of entertainment has a stigma attached to it but tournament poker is completely different animal. It's all about healthy competition, skill and strategy. All those attributes attract good people who form the basis of very positive, healthy community. I focus on delivering value first and absolutely do not tolerate any rude or obnoxious behavior does not matter how much that person spends at the bar. I invite you to visit us on a Friday night and see and feel the environment for yourself. I am sure you will come away impressed. We aren't a gambling place or a casino.

Regards
John Ogai
Encore Club owner.
[REDACTED]

On Wed, Jan 28, 2015 at 8:07 PM, Chris Vetter [REDACTED] wrote:

Despite your insistence to the contrary this is going to adversely affect his business. The number of tickets provided by the city changed and he continues to shed customers every week. You are pushing his business toward insolvency. Refusing to grant his request or compromise in any way is simply unacceptable. We need you to make more tickets available so his business can survive. We do not want to escalate this issue or pursue legal action. We want to work with you cooperatively in a spirit of compromise to protect the interests of Encore and the surrounding neighborhood. Let me ask you want additional time to reconsider and Grant John additional tickets for his company. You promised in writing you would do nothing to harm his business and we can show empirically that failing to provide these tickets irreparably harm to his company.

On Jan 28, 2015, at 3:59 PM, Alan Costley [REDACTED] wrote:

To: Encore Poker Club

Attn: Chris Vetter

Thank you for your email response to the Zone K Parking committee. We appreciate your concerns and your appeal for exemption on the allowed quantity of scratch parking permits for the Encore Club business.

- The Zone K Committee has the policy mandate of promoting economic vitality within the zone. An essential tool of that policy is the availability of two hour free parking on street during the daytime to anyone. And everyone. On street parking is a public resource and needs to be managed for the benefit of all the citizens who would make use of it. The Committee has to balance the interests of Encore with those of other businesses and residents and visitors.
- Encore Club has been in business for four to five years. Scratch parking permits have been available since August 2013. Encore Club grew for several years before the introduction of scratch parking permits and you should be confident enough in your business model to understand that your customer base will adjust to parking requirements that are intended to benefit all the businesses and the residents in Zone K.
- Your “compromise” request is for over three thousand scratch permits annually, presented as essential to your business survival. This quantity represents **not** automobile trips to the K area, but three thousand daytime Monday through Saturday **long term parkers**, who, with the use of scratch permits, can occupy on street space for the entire day. The physical capacity of the K area on street cannot provide your needs and maintain the supply necessary for other business activity, much less residential parking needs. Granting your request would represent preferential treatment for Encore Club and would indeed send a “chill through the business community” of Zone K.
- Zone K, by nature of its location, is a high demand area for parking. Employees, customers, people attending special events in the arts and entertainment (First Thursday, theatre, movies, and restaurants in the neighborhood and in the Pearl), and sporting events (Timbers games, Providence Park, and Lincoln High School athletic events) seek to park in the K area. The policies of Zone K allow FREE parking for two hours all the time and unlimited free parking evenings and Sundays. The Zone K Committee must balance all the demand interests, business and residential. The professed needs of Encore exceed the reasonable for exemption.
- The Zone K Committee conducted a survey of Zone K constituents this past October with the results posted on our website (ParkingZoneK.com). In that survey, opposition to extensive scratch permits was strongly expressed with some calls for their elimination entirely. Some residents want on street parking for residents only. Some called for the installation of meters and paid parking all the time. The Zone K Committee strives to represent the interests of all the constituents of the Zone.
- The quantity of scratch tickets you have purchased in the last year, and the volume you are requesting, have raised serious questions. PBOT has reported that Encore Club purchased over 4000 scratch permits from August through December, 2014. Careful and controlled distribution of that amount of parking permits is challenging. Demand for parking in the central business district is very high and instances of parking permit abuse have been reported in Portland in the past.
- We respect and admire your entrepreneurial spirit and acumen. We have no wish to ‘kill’ your business. We ask that you adapt and compete on a level playing field with the other businesses in the central business district, without preferential treatment for your business’ parking needs.
- Portland, and Zone K, do not struggle with “a reputation for being unfriendly to small companies” but rather serve as an incubator for entrepreneurial activity in food, entertainment, and small business. The Zone K policies have nothing to do with minority or emigrant status. To make such references is entirely a red herring.

In closing, the K Committee would reiterate comments from the Committee’s first letter sent in response to your request for relief from limits on scratch off permits. Scratch off parking permits were never intended to provide free or nearly free long term parking to regular visitors or customers during weekdays. Turnover of the limited on-street spaces is essential for multiple businesses in the area to succeed and for spaces to open for residents during the day. Further, business and organizations should encourage customers, who insist on driving and require long term parking during the permit required times, to seek free

parking out of the K APP or to find paid on or off street parking in the vicinity. The cost of providing weekday or Saturday long term parking needs to be borne by either the business or its' customers, as tends to be true throughout the central business district.

The Zone K Committee wishes you continued prosperity but no exemption to the current scratch permit policy is granted.

Regards

Zone K Area Parking Permit Program Committee

From: Chris Vetter [REDACTED]
Sent: Thursday, January 08, 2015 5:48 PM
To: 'Alan Costley'
Subject: RE: Zone K Scratch tickets

Alan—

I respect you and know you are doing your best to help the city wrestle with the challenges of urban growth. Your letter is articulate and straightforward. It has one unfortunate impact, however, that you previously told us we could avoid.

It all but kills a thriving business in a location where every other company failed.

You told us verbatim you were not going to place us in peril but without a reasonable number of passes our daytime customers will stop coming to Encore. That 30% reduction in business is so essential to our net profitability that jobs are going to disappear and the future of the company looks grim.

This is not an embellishment or an exaggeration. Your decision is going to cripple a minority-owned company, take the life savings of my best friend, hurt the local economy and send a chill through the business community. Portland already struggles with a reputation for being unfriendly to small companies and this could become a cautionary tale that confirms the worst suspicions of every entrepreneur wrestling with the prospect of creating something from nothing.

As two reasonable people I want to find common ground and discover an exception that does not destroy Encore and derail multiple lives.

We needed 30 passes a day. We asked for 20. We can live with 10 and still survive. We decreased our request by nearly 70% and promised to create signage that promotes public transportation. We installed a bike rack inside the club. We offered to pay \$12,000 annually for five parking spaces. We did everything in our power to lower our expectations and compromise.

Please reconsider your decision so we do not have to close our doors. If we lose 30 customers a day that costs Encore roughly \$150,000 annually in lost door fees and food and beverage income. That is 100% of our operational costs for a year and those numbers are rock solid.. Even if you grant our request John faces staggering losses and this data is empirical. He is already feeling the impact of the drought.

Again, you told us you would not kill our company. If you are not flexible, that is precisely what is likely to happen. I do not believe you will force us to close our doors. I do not want to see this company destroyed. Our fate is in your hands.

Chris Vetter

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

From: Alan Costley [REDACTED]
Sent: Thursday, January 08, 2015 4:18 PM
To: 'John Ogai'
Cc: [REDACTED]
Subject: Zone K Scratch tickets

Hello John

I am responding to the email that the Encore Club sent to the NWDA and the subsequent telephone conversations that I had with both yourself and Chris Vetter. I appreciate you taking the time to explain your business and it's needs to me. I also appreciate the effort you had indicated in finding some paid off street parking for your customers. The Zone K Committee has discussed your circumstances and your request for an exemption from the Zone K policy limiting the purchase of books of scratch tickets to five (50 scratch permits) per year. The Committee has unanimously denied your request.

The Zone K Area Permit Parking Program was established to limit commuter and long term parking within the K area. The two hour time limit for free parking is intended to encourage turnover of on street parking spaces to the benefit of businesses and residents, customers and visitors. Two hours is considered a reasonable time for visitor or customer activities, whether that be shopping, going out to eat, attending a church service, going to a meeting, or going to a movie, for example.

Annual permits are issued to businesses, residents, and employees to allow them access to limited on street parking space during the permit required hours (Monday through Saturday 7 am to 7 PM). Each address is also allowed to purchase one annual guest permit for visitors. Two years ago the Portland Bureau of Transportation and the Zone K Committee added the single day scratch off tag permit to provide convenience for businesses or residents to use for occasional visitors, repair or improvement workers, or occasional meetings, gatherings or parties. These scratch off tickets were never intended to provide free or nearly free long term parking to regular visitors or customers during weekdays. Turnover of the limited on street spaces is essential for multiple businesses in the area to succeed and for spaces to open for residents during the day.

These Zone K policies are consistent with the Northwest District Plan for land use, which seek to limit large auto dependent retail and encourage development that is pedestrian oriented. Businesses or organizations, that need long term parking for visitors or customers during the Monday to Saturday permit required times, should establish policies that encourage the use of public transportation, pedestrian, or non-motorized transport. Further, business and organizations should encourage customers, who insist on driving and require long term parking during the permit required times, to seek free parking out of the K APP or to find paid off street parking in the vicinity. The cost of providing weekday or Saturday long term parking needs to be borne by either the business or its' customers, as tends to be true throughout the central business district.

Free parking is still available within Zone K every evening Monday through Saturday after 7 PM and all day Sunday, in addition to the two hour free parking during the permit days. We hope that your business will continue to be successful within these on street parking constraints.

The Zone K scratch ticket policy, announced by the Portland Bureau of Transportation, is in effect as of January 1, 2015 and limits to five the maximum number of permit books an address will be able to purchase in a permit year , August 1 to September 30th, for a total of 50 scratch single day permits. No exceptions to this policy are currently granted.

Regards
Alan Costley
Zone K Parking Committee

Zone K Area Permit Program

Alan Costley

[REDACTED]

[REDACTED]

From: [REDACTED]
To: parkingzonek@gmail.com
Subject: Urgent Request About Neighborhood Parking Passes
Date: Saturday, December 13, 2014 11:14:54 AM

Encore Club



Dear Parking Zone K Committee Representatives,

Recent changes in the availability of City of Portland parking passes threaten the future of the Encore Club in the Northwest District. Encore provides jobs and economic opportunities for more than four dozen people and supports more than 30 local companies. We built strong ties with regional leaders and met with legislators across the state to support minority owned companies. We request agenda space at your next meeting in December and hope to convene an emergency meeting if nothing is scheduled before the end of the year.

Encore uses parking passes provided by the City of Portland responsibly and does not sell them in packs. Visitors are normally allowed to purchase a single ticket daily but the City of Portland recently restricted the availability of passes which is driving away customers. Our revenues are down dramatically since this shift in policy.

Encore previously sold an average of 20 passes daily and we hope to continue this practice. Proposed changes would restrict sales to 50 tickets *annually*, a reduction in availability of 99% that threatens the survival of the company.

Without a reconsideration of the policy, restricting parking passes to 50 annually would irreparably damage Encore and surrounding businesses. Multiple companies and lives will be derailed. We want to be good neighbors and hope you will allow us to issue tickets responsibly, capping sales at 20 per day.

The founder of encore is an immigrant who invested the life savings of his family in his company. He worked tirelessly over the past four years to build a successful business and faces total ruin if parking passes are no longer available in sufficient quantities.

We look forward to meeting with you at your earliest opportunity. We would love to hear from you before the meeting and welcome your support. My contact information is below. Owner John Ogai is available at [REDACTED]

Chris Vetter
Encore Poker

