



**CITY OF PORTLAND, OREGON**

**Bureau of Police**

Charlie Hales, Mayor  
Michael Reese, Chief of Police

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MEASURE: HB 2007  
EXHIBIT: 15  
HOUSE BUSINESS & LABOR  
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SUBMITTED BY: Andy Smith for Michael Reese



March 20, 2013

Margaret Doherty, Chair  
House Business and Labor Committee  
900 Court St. NE, Hearing Room E  
Salem, OR 97301

Re: Support for HB 2007

Chair Doherty, and Members of the Committee,

Thank you for the opportunity to offer our strong support for House Bill 2007. The City of Portland believes this bill will help the Lottery Commission to determine when a lottery retailer has become a Casino, and take appropriate action.

There is probably no better illustration of the potential negative impact to a community that lottery retailers can have then on Hayden Island in North Portland. There are 26 locations that are licensed as lottery retailers on Hayden Island. One particular location has 12 retailers in a row, owned by 4 separate businesses with approximately 72 video lottery terminals. There is literally no other business within this strip mall. As the evolution of this site began its descent into being what we refer to as Lottery Row, neighborhood complaints began to increase. Livability and safety began to plummet.

In 2012, 36% of the calls for service and 41% of custodies for Hayden Island are within 1000ft of the locations referred to as lottery row. Between September and December of 2012 North Precinct had 66 custodies within 1000 ft of lottery row for a variety of offenses such as possession and delivery of controlled substances, driving under the influence of intoxicants, disorderly conduct and warrants for a variety of offenses.

Although North Precinct has been working closely with businesses and OLCC to address the problems, the resources they are expending are not sustainable. Drug deals have happened at almost every establishment on lottery row, some with the knowledge and participation of staff members. Drug dealers "launder" the money made from these illegal transactions through inserting bills into the machines, and printing the ticket. The problems are indicative of an area that is completely fueled on three vices; alcohol, gambling, and drugs.

There is currently no incentive for a business that provides anything else to the public to come to Hayden Island. The environment has degenerated to a point that residents will not even set foot in the complex. HB 2007 is a step in the right direction because it encourages business to diversify, which will ultimately reduce saturation of these establishments and lessen the negative public safety and livability impacts on the community.

We urge your support of House bill 2007.

**MICHAEL REESE**  
Chief of Police

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