

news Briefs

PAT KILKENNY INVESTED IN COURTSIDE?

Will Pat Kilkenny profit from developments next to the Matthew Knight Arena he pushed through when he was UO athletic director? Mega-donor Phil Knight has lauded Kilkenny for making the arena possible, and we heard from multiple reliable sources that Kilkenny is one of the unnamed partners in the costly Courtside apartments next door. Portland attorney Russell Kilkenny, agent for 1410 Orchard Street LLC, which bought the Courtside property in February 2010, confirmed via email, "Pat Kilkenny has an ownership interest related to 1410 Orchard Street, LLC."

A search of registered corporations in Oregon shows 1410 Orchard Street, LLC is managed by developer Thomas Cody, and the agent is Russell Kilkenny; the other partners in the project are not named on the business registry document (available at uomatters.blogspot.com). Russell is also the agent for Pat Kilkenny's PJK Oregon, LLC and several other of Pat's nonactive LLCs.

Courtside is an "affiliate of the University of Oregon" and "the new center of campus," or so says the website (www.livecourtside.com) which looks very similar to the Matt Court website. Courtside is being built in what the developers are calling the soon-to-be upscale "Arena District." According to the R-G, Cody is joined by Steve Romania and

four other partners in this project.

A three-bedroom apartment at Courtside rents for almost \$2,000. That's more than \$600 per student per month, but it includes wireless internet and access to an onsite hybrid "WeCar" carshare program. Cody and partners are also involved with the even bigger and spendier Center Court Apartments, next door to the arena and to Courtside, on the site of the former Villard Street Pub.

California Bank and Trust of San Diego financed the \$12 million Courtside project, and CB&T has apparently shown interest in financing Center Court as well. Why would a San Diego bank fund Eugene projects? There's a football connection: Tory Nixon, the senior vice president of CB&T, is a former pro football player who was born in Eugene. And there's another connection: Nixon serves with Pat Kilkenny on the board of trustees for the San Diego Sports Commission. CB&T is also a supporter of Pat Kilkenny's Lucky Duck Foundation, which raises money for effective treatments and a cure for Fanconi anemia, the disease that has taken the lives of two of former UO President Dave Frohnmayer's children.

According to the UO website, Pat Kilkenny is still a part of the university as the "Special Assistant to the Athletic Director," and, according to the UO unclassified personnel list of March 1 to May 31 2010, his 12-month appointment is a 50 percent full-time equivalent (FTE), enough to be eligible for the state benefits package. His salary is \$25,883.

As an employee of the UO, which is a public body, Kilkenny can be considered a public official. According to Oregon state law, "A public official may not attempt to further or further the personal gain of the public official through the use of confidential information gained in the course of or by reason of holding position as a public official."

The Courtside project is ecofriendly, seeking LEED gold certification with native



plants, and water and energy efficient fixtures, and it would allow students to shop locally and walk and bike to school.

One question still unresolved is why Pat Kilkenny chose to not publicly disclose his financial interest in this housing project from the beginning. — Camilla Mortensen

CITY TAX OPTIONS TO SAVE SCHOOLS

The Eugene City Council has voted 7-0 to consider a variety of city tax options to help local schools facing severe budget cuts.

The council asked city staff for information on several tax options including a graduated income tax, a flat income tax and a restaurant tax. The council will schedule a meeting this month to discuss the options.

A progressive, graduated city income tax with rates set at 0.5 percent for income (AGI) \$50,000 to \$99,999, 1 percent for \$100,000 to \$249,999, and 1.5 percent for

incomes more than \$249,999 would generate roughly \$40 million per year. That's based on an EW analysis of state tax data that assumes Eugene has a similar income distribution to Lane County and generates about 63 percent of the Adjusted Gross Income in the county.

A flat 1 percent income tax would generate roughly \$44 million a year for local schools, according to the EW analysis.

A 5 percent Eugene restaurant tax would generate about \$4 million a year, based on adjusting a previous city staff estimate of restaurant tax revenue to account for growth. The 4J School District may cut scores of teachers and effectively limit school to four days a week to close a \$22 million budget deficit. Bethel also faces millions of dollars in cuts.

Based on local voting experience, a graduated, progressive income tax could be the easiest to pass.

Last year a state income tax increase on income exceeding \$250,000 passed 3-1 in Eugene.

The proposed graduated tax on incomes above \$50,000 in Eugene would impact roughly a third of local taxpayers, according to EW's analysis. The proposed 1 percent flat tax on all incomes would affect all voters, but would generate only 10 percent more revenue than the graduated tax on incomes above \$50,000.

If the graduated tax were limited to incomes above \$70,000, the tax would impact roughly 20 percent of taxpayers and generate roughly \$22 million a year. A graduated tax above \$100,000 would affect roughly 10 percent and generate roughly \$19 million a year.

A proposed flat county income tax to fund the jail failed 2-1 in Eugene in 1999 amid criticism that it was unfair to the poor and emphasized prisons over crime prevention and treatment.

A proposed 5 percent Eugene tax on restaurants in 1993 to help with a city budget deficit failed by a 20 percent margin. Restaurants organized to oppose the tax, which they argued, could send business outside city limits, and citizens expressed concern the tax could unfairly impact the poor, who spend about a third of their limited income on fast food.

To refer a city tax measure to save local schools to the May ballot, the Eugene City Council will have to vote for the referral by the middle of next month. — Alan Pittman

Happening people

BY PAUL NEEVEL



KATHY NORRIS

"When I was 4 years old, I'd find little kittens, tame them and bring them to the house," says Kathy Norris, recently named president of the Stray Cat Alliance, a local nonprofit that helps low-income cat caregivers with spay/neuter costs, medical care and cat food. "We'd have to find someone to adopt them." Norris lives on the same property, west of Fern Ridge Reservoir, where she grew up. She and her partner of 30 years, Les Davis, operate the Christmas tree farm started by her father. They spend one month each year, Thanksgiving until Christmas, selling trees from a lot in the San Francisco Bay Area, then 11 months replanting, fertilizing and pruning trees on the farm. "Les and I do it all," says Norris. "I go up and down the ladder all summer long." A life-long rescuer of uncared-for animals, Norris currently has 11 house cats, including Tillie, who appears in the photo, three dogs and two 20-plus-year-old horses. She also feeds many feral cats. "The SCA does not operate a shelter," she says. "We focus on spay and neuter. The big thing now is TNR: trap, neuter, and release. We work with people who try to manage colonies." Phone SCA at 607-4219 or send donations to SCA, PO Box 26043, Eugene 97402.