

Port explains rationale for severing Riverwalk Inn deal

Lawsuit may go to jury today

By EDWARD STRATTON
The Daily Astorian

The second day of the trial Wednesday between the Port of Astoria and Param Hotel Corp. featured five witnesses testifying about facets of the agency's actions surrounding the Astoria Riverwalk Inn.

The Port's attorney, Luke Reese, started the day cross-examining Ganesh Sonpatki, the owner of Param. The company offered \$500,000 in June 2014 to buy out the remaining seven years on the lease of heavily indebted operator Brad Smithart.

When the Port terminated Smithart's lease, opened the hotel to proposals and chose the locally connected Astoria Hospitality Ventures, Param sued for fraud and breach of contract. Forensic accountant Tiffany Couch took the stand to explain how she estimated Sonpatki's losses at \$4 million, along with \$500,000 in damage to the company's reputation.

Former Port Commissioner Stephen Fulton was grilled by Param's attorney, Colin Hunter, about missing text messages he was supposed to turn over. Meanwhile, Port Executive Director Jim Knight — individually sued for fraud along with the Port — defended his decision to evict Smithart in July 2015 and open the hotel to potential operators.

Port: Deal was doomed

Hunter opened his case Tuesday arguing that the Port

had caused the deal between Param and Smithart to fall through by not providing the consent documents the companies needed to transfer the lease. Reese, the Port's attorney, argued Wednesday that the deal was doomed by Smithart not fully disclosing the extent of his debt.

By the time the Port Commission voted in June 2015 to pursue Sonpatki's offer, Smithart owed an estimated \$300,000 combined to the Port, city and county. He had also owed almost \$100,000 in state and federal taxes, according to testimony Tuesday by Mike Weston, the Port's interim director at the time of Sonpatki's initial offer.

Smithart and Sonpatki extended the closing date of their agreement several times, eventually scheduling the transfer of the hotel for after the 2015 summer season. By the time of the vote, Reese said, Sonpatki had hired Hunter to potentially sue Smithart. Reese submitted an email showing the first escrow officer, hired by Sonpatki to make sure Smithart's debts were paid after the transfer, quit because of difficulties getting information from Smithart.

'Enough is enough'

Knight, who started work in October 2014, eventually took over negotiations on the Riverwalk Inn. In early July 2015, he had ordered the Port's attorneys to terminate Smithart's lease.

Knight argued Wednesday that the decision was necessary because of Smithart's debt, poor operations, the run-down



Joshua Bessex/The Daily Astorian

The Port of Astoria and a Portland hotelier are in a lawsuit over the Astoria Riverwalk Inn.

state of the hotel and Smithart's simultaneous pursuit of other suitors behind Sonpatki's back. "I simply had to say, 'Enough is enough,'" he said.

Hunter argued that Knight had failed to provide accurate documents to Param to complete the deal and sought to show that the Port director had also been reaching out to Chester Trabucco, a partner in rival suitor Hospitality Ventures with William Orr, as Param's deal unraveled. Sonpatki later tried to get Smithart's lease reinstated so he could close the deal. Despite the option being discussed at a Port meeting, Hunter argued,

Knight claimed that he could not do it.

Orr is the brother-in-law of Fulton, who said he had publicly recused himself during discussions of the Riverwalk Inn.

But Hunter pointed out at least one meeting where Fulton had taken part in discussions on the hotel and texts stretching back to June between Fulton and Trabucco. The texts show up on Trabucco's phone, Hunter said, but only start in mid-August on Fulton's. Fulton said he changed phones in July, later claiming that a software glitch could cause entire chains of emails to be deleted.

"A reasonable conclusion is that you deleted texts," Hunter said.

Judge Dawn McIntosh, who is hearing the case in Circuit Court, later said she thought about informing Fulton of his rights under the Fifth Amendment not to incriminate himself.

Smithart back in town

Smithart, who recently closed the Arc Arcade in downtown Astoria and moved to New York City, said he read about the trial in The Daily Astorian and came back voluntarily because it might help in the agency's lawsuit against

him. The Port is suing Smithart for more than \$320,000 in back-due rent and revenue-sharing. McIntosh is reserving judgment against Smithart until after Param's lawsuit is resolved.

Smithart, who operated the hotel from 2012 to 2015, was technically in default though most of his tenure. His original partner, Seth Davis, left shortly after the two got a lease. By the time Sonpatki entered the picture, Smithart said, he was looking for a way to leave the hotel, satisfy his debt and keep his staff employed. But the Port was holding the deal back by not providing the documents necessary for him to close with Sonpatki, Smithart said.

Reese argued that Smithart had not provided the full extent of his debt to the escrow officer hired to pay people using Sonpatki's money. Reese claimed Smithart owed \$150,000 to the IRS and couldn't close the deal with Sonpatki until the tax issues were resolved. Smithart disputed the figure and said the deal could have closed.

At the end of the day Wednesday, Reese attempted to have McIntosh rule on the claims against the Port and Knight without waiting for a jury verdict. But McIntosh, who had previously denied attempts by Param and the Port to rule in the case before trial, said there was enough evidence of a possible contract between the Port and Param for the jury to consider.

Hunter rested his case Wednesday. Reese will make his today, after which the jury will deliberate.

Details emerge on immigration arrests in Pacific County

Advocates asking for donations

By AMY NILE
EO Media Group

LONG BEACH, Wash. — Neighbors are trying to come up with cash to help families of immigrants who've been rounded up in federal raids across Pacific County.

A newly formed local group, the Immigration Assistance Committee, has given more than \$4,000 to help eight affected families with expenses, such as rent, food and moving costs, said volunteer Sandy Nielson of Nahcotta.

Now, the advocates are asking for help.

So far, the group's donations have gone to mothers and fathers who are struggling to raise children with little to no income after their spouses were taken by U.S. Immigration and Customs Enforcement agents, Nielson said.

Many worked in the shellfish industry. Their families relied upon their incomes. Employers were counting on them too, Nielson said.

Volunteers hope to raise at least \$10,000 through donations at gofundme.com/immigrants-long-beach-washington.

The committee counts 35 immigrants who have been picked up on the peninsula in 2016 and 2017, volunteer Ann Reeves said. The advocate from Long Beach said the group has learned in the past few weeks of at least four others who were taken around South Bend and Raymond.

Pacific County has at least 23 open cases in U.S. immigration courts, according to an analysis of records obtained from federal agencies and courts by the Transactional Records Access Clearinghouse at Syracuse University. The data shows 15 pending cases from around Raymond and six from the peninsula.

Some of those who've been arrested are locked up at the private Northwest Detention Center in Tacoma, leaving their families without income for meals and housing, let alone money to post bond for their loved one, Nielson said. Others want to reunite their families after being split up by deportations. They need help with travel documents and expenses.

"These families have been torn apart," said Robert Brake, another advocate. "We can't sit by and do nothing."

Fundraiser scheduled

Brake and his wife, Gwen, are organizing a celebration of Hispanic culture to help raise money for immigrant



U.S. Immigration and Customs Enforcement

A newly created advocacy group in Pacific County is raising money for families of people deported by ICE.

'Most of the people have been here a long time.'

Sandy Nielson

neighbors. The Ocean Park couple plans to auction colorful pinatas filled with Mexican candy and other items, and donate the proceeds to affected immigrants and their families.

"It's the right thing to do," Brake said. "We'll make it a little bit of a fiesta in the midst of a tragedy."

The fundraiser is scheduled from 7-9 p.m. Oct. 20 at Chautauqua Lodge in Long Beach.

Gwen Brake acknowledges that the people being picked up did commit a crime by coming into the coun-

try illegally. But, the Ocean Beach after-school program teacher said, arresting and deporting parents punishes children. Families, including those who've been part of the community for decades, and businesses that rely on the work of immigrants are also suffering.

"They've been our friends and our neighbors," she said. "They're the people who've held up our little corner of the world."

ICE does not have arrest and deportation counts by county readily available,

spokeswoman Virginia Kice said in August.

'They're gone'

Pacific County Sheriff Scott Johnson said ICE gave his requests the cold shoulder for months until the Chinook Observer raised questions about why federal officials weren't sharing information with local law enforcement.

The agency has recently started to provide at least some details about arrests, Johnson said. ICE last reported making an arrest in the county on Friday.

The Observer has requested public records under the Freedom of Information Act that could reveal more details about the federal agency's local activities. The sheriff's office is also expected to provide information.

Despite the recent step toward transparency, immigrants on the peninsula aren't counting on enforcement relenting any time soon, Nielson, the Nahcotta volunteer, said.

She knows one man who's saving money in case he needs to bail himself out.

"He expects to be picked up anytime in a raid," she said. "Most of the people have been here a long time. Their families and employers depend on them, then — they're gone."

County moves forward with boat ramp

By JACK HEFFERNAN
The Daily Astorian

Clatsop County will hire a consultant to help submit permits for a new boat ramp at the planned Westport County Park, and a contractor may be selected by early next year.

The county Board of Commissioners accepted a more than \$40,000 grant Wednesday from the Oregon State Marine Board and agreed to pay an additional \$13,750 to pay both the consultant as well as some permit fees. A statement of work for the project will be completed by January and a contract awarded to a bidder by February.

"This will help us get our permits so we can actually move forward with the construction," County Natural Resources Manager Steve Meshke said.

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Welcome Jacob Bushnell!



We are excited to announce that Jacob Bushnell, DDS is joining our team at Leinassar Dental Excellence. Dr. Bushnell grew up in Svensen, graduating from Knappa High School. He obtained his Bachelors of Science from Oregon State University. He completed his dental education in San Francisco at The University of the Pacific, Arthur A Dugoni School of Dentistry. He graduated with awards for excellence in esthetic dentistry, complex restorative dentistry, prosthodontics and operative dentistry. Dr. Bushnell has returned to the Pacific Northwest excited to bring his skills and knowledge to the team at Leinassar Dental Excellence.

Aside from providing his patients with high-quality dental care, Dr. Bushnell enjoys all of nature's bounty here in the PNW, fishing, hunting, crabbing and clam digging. He also loves spending time with family and friends, cooking, and skiing.

With the addition of Dr. Bushnell to the team, Leinassar Dental Excellence will be able to offer more appointment times, including early mornings, evenings and weekends. Dr. Bushnell will be working alongside Dr. Leinassar providing excellent care to the community they both love. Call 503-325-0310 or drop by the office at 1414 Marine Drive, Astoria to set up an appointment. We'd love for you to join us at Leinassar Dental Excellence and meet Dr. Bushnell in person!

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