

EO Media: Aim is to close the deal by the end of August

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Wright explained why the purchases make sense for the family-owned business.

“First, the vibrant economy of Central Oregon, coupled with a fresh start for The Bulletin and Redmond Spokesman, bodes well for the future of these newspapers,” she said. “Second, we believe readers in Central Oregon will support our mission of producing content that is relevant, credible and reflective of the communities we serve.”

Kathryn B. Brown, vice president of EO Media Group, credited Bend locals for support.

“We appreciate the assistance of so many in the Bend community who encouraged us to consider the acquisition of The Bulletin and the Redmond Spokesman, and who were willing to support us in our efforts,” she said. “It quickly became clear to our board that these newspapers are an excellent investment for our company, and are a good fit with our operations throughout Oregon.”

Bend Mayor Sally Russell, in a letter, expressed her personal support for EO Media Group to prevail.

“Balanced, factual, local reporting is invaluable for the healthy community I am committed to helping grow and thrive,” she said. “I believe that among the bidders that have identified, EOMG is the only one that offers the local perspective I feel is so critical. Our city would not be well-served by having our local, daily newspaper controlled by absentee managers of huge conglomerates whose only



The Bend Bulletin and headquarters of Western Communications.

Bend Bulletin

commitment to our city is financial.”

Some Bend supporters provided financial backing, including The Bend Foundation. Trustee Mike Hollern, said the non-profit views this as a worthy investment in a company with a long history in Oregon delivering valuable news.

“That’s a really important part of the whole American dream to have an unbiased local press,” he said.

He said he could not speak for other investors, but the Bend Foundation does not have an editorial stake in this action.

Steve Forrester, EO Media Group president and CEO, said the purchase marks more than the beginning of a new publishing venture.

“For our family ownership, acquisition of the

Bend Bulletin also carries emotional and historical meaning,” he said. “The friendship between the Chandler family and the Forrester-Bedford-Brown families goes back more than 50 years. Our essential challenge is to bring new life to Bend’s storied daily newspaper.”

Adams owns more than a hundred small dailies, weeklies and shoppers, including the Herald & News in Klamath Falls and the Lake County Examiner in Lakeview.

Emily Cureton, with Oregon Public Broadcasting, reported Rhode Island Suburban Newspapers Inc., or RISN, owns newspapers in Rhode Island, Arizona and California, and dozens of the businesses use the same address on regulatory paperwork — an office suite in a strip mall in rural

Illinois.

Corporate filings show the humble office space is connected to Horizon Publications, a subsidiary of bankrupt conglomerate Hollinger Inc., once one of the largest media companies in the world. Hollinger became infamous in the mid-2000s for the scale and scope of theft committed by its executives, according to Oregon Public Broadcasting. An investigation on behalf of shareholders and submitted to the U.S. Securities and Exchange Commission found Hollinger executives siphoned more than \$400 million from their companies, largely by collecting fees on bogus non-compete contracts.

That led to fraud convictions in 2007 for Hollinger leaders Conrad Black and F. David Radler. A key Hollinger executive impli-

cated in some of the transactions, Roland McBride, is the vice president of RISN.

According to court documents, RISN negotiated a \$67,500 “break-up fee” with Western Communications to induce RISN to submit a bid within a certain time frame, and RISN as the first bidder “acted as a catalyst or ‘stalking horse’ to attract higher and better offers” for the Bend newspaper and thus deserves payment for maximizing the sale. The sale proceeds will cover the cost of the fee.

The bidding started with the EO Media Group’s \$2.5 million. Wright helmed the company’s bidding against Mark Adams, president and CEO of Adams Publishing. RISN sent no one to the auction.

Brown said most of the bids went up in \$50,000 increments, and at \$3.65

million Adams was out and told the EO team congratulations. U.S. Bankruptcy Court Judge Trish Brown approved the sale during a hearing following the auction. She also gave until Aug. 12 for unsecured creditors to oppose RISN’s break-up fee. If no one comes forward, the company collects the money.

The purchase includes the printing press and equipment in Bend but not the building or property. Kathryn Brown said EO Media would lease the site for the time being and look for new space. She also said EO Media will look at how to fold the Central Oregon papers into the organization and soon will reach out to the employees at the Bulletin and Spokesman.

Kathryn Brown said they aim to close the deal by the end of August.

Grocery Outlet: ‘It’s going to be ... a balancing act’

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The store’s developers have taken design cues from the new co-op, even planning to utilize similar corrugated metal siding. The store will look different from the more typical design seen in other communities like Rainier.

The site falls under two of the city’s design overlay zones — Civic Greenway and Gateway. The Design Review Committee must drill into design details, most of which the Grocery Outlet application met to city planning staff’s satisfaction.

There are only two points where the committee might be able to make an argument to deny the project: how the building and parking lot are situated; and how people will access the store from Marine Drive.

In her staff report, city planning consultant Rosemary Johnson was careful to note the difference between “shall” and “should” when it comes to these standards.

Building design standards are a “shall,” with little to no wiggle room. If a project meets the criteria, it meets the criteria.

When it comes to how a building is oriented and where entrances to the property are established, however, “should” prevails. Here the Design Review Committee has some flexibility.

But Johnson encourages the committee to take a hard look at the difficulties inherent in developing the site.

“Another type of development could occur on this triangular site that could meet more of the design standards,” the staff report finds, “but since the use is allowed outright, and with the various conditions for mitigating landscaping and other design elements, it would be ‘unreasonable’ to require full compliance with these criteria.”

The staff report acknowledged the proximity of the Astoria Co+op,

but added, “while (Grocery Outlet) will be a similar use, it will cater to a different audience.”

And while the Design Review Committee can scrutinize access to a development and parking questions, evaluating traffic impacts is not one of their tasks.

The city has received a number of letters against the project — and at least one letter in favor of the project whose writer was still very concerned about traffic.

‘THE LAST THING I WANT TO DO IS STOP GROWTH IN ASTORIA. I’D HATE TO STOP DEVELOPMENT ACROSS THE STREET FROM US. BUT I DO HAVE TO LOOK AT OUR OWN BUSINESS AND HOW IT CAN SURVIVE.’

Jeff Newenhof | owner of City Lumber

In one email to the city about Grocery Outlet, a woman simply wrote, “Please, no Food Outlet. Thank you.”

Others are more detailed in their objections, arguing that Astoria’s backbone is its small businesses and contrasting Grocery Outlet with the Astoria Co+op.

“I’m all in favor of competition, but this isn’t competition,” wrote Laurie Caplan, of Astoria. “This is one of several national chains willing and eager to undercut, if not eliminate, local businesses.”

If Grocery Outlet passes its design review hearing Thursday, it will still need to work with the city and the state regarding a plan for access driveways, Americans with Disabilities Act accessibility at crosswalks and the intersection at Marine Drive and Commercial Street.

This is where Jeff Newenhof, the owner of City Lumber, starts to get worried.

Problematic intersection

At the intersection, the sidewalks are in less-than-ideal shape and there are no ADA-accessible ramps.

The intersection is one of thousands around the state identified as problematic following a 2016 lawsuit against the Department of Transportation over accessibility issues. Grocery Outlet’s presence would not change this fact, it would just accelerate the conversation.

In a 1999 transportation

development meeting with the city and ODOT, he said he was given a laundry list of expensive improvements he would need to make around the intersection, including the installation of a stop light at 23rd Street, if he wanted to build.

“With all those expenses our project stopped dead,” Newenhof said.

This year, Newenhof was planning a major overall of the lumber yard, as well as a remodel of the store, to make it more visually resemble the 1920s and ‘30s-era version.

“If the Grocery Outlet wasn’t going to happen or if I could be assured the intersection wasn’t going to be changed, I’d go forward with it. But I can’t get that assurance from the city,” Newenhof said.

City Manager Brett Estes said it is important to consider what has changed since 1999.

The roadway configuration proposed in 1999 was “much more dramatic” of a change than what would likely occur now, he said. The state was operating under different standards 20 years ago in terms of what they could require.

There is a degree of flexibility in how the intersection is addressed and city engineers and ODOT plan to work closely together on a solution, city and state officials.

“It’s going to be kind of a balancing act to make sure we can require the ADA safety improvements while balancing their needs for parking and things of that nature,” City Engineer Nathan Crater said of City Lumber’s concerns.

Newenhof is not against Grocery Outlet, but is concerned about the impact to his business.

“The last thing I want to do is stop growth in Astoria,” he said. “I’d hate to stop development across the street from us. But I do have to look at our own business and how it can survive.”

ICE: Maria Perez and her family are devastated and disappointed in Ruben

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Kit Ketcham, a retired pastor at Pacific Unitarian Universalist who led the community effort for the Perez family, said Maria Perez came to church after her husband’s drunken-driving arrest and apologized to the congregation.

Ketcham said Maria Perez and her family are devastated and also disappointed in him.

“What I’ve watched her do over this period of months has been to just get strong,” Ketcham said. “She is going to do what needs to be done and she is going to save her family. If she can help someone else, she will.”

When Maria Perez saw ICE vehicles outside the courthouse in July, she went to see if she could be helpful, Ketcham said. She recorded ICE detaining Fabian Alberto Zamora-Rodriguez following his court hearing related to charges of encouraging child sexual abuse.

Seeing someone else being detained “made a big impact on me in how the people are treated because they are undocumented,” Maria Perez said.

Ketcham has not asked her congregation to raise money for the Perez family after his second detention.

“They were tapped out,” she said. “They gave more than a thousand dollars to the family and also one person in the congregation pulled money out of his savings account to pay for Ruben’s bond. So that was a big deal and there are no guarantees about getting that money repaid to him.”

Ketcham said her congregation looks at the situation philosophically. She also said they are aware alcohol abuse can be difficult to control.

“One of the things that I’ve said all along is we don’t do this kind of work so that we get paid back,” she said. “We do it out of compassion for people ... there’s no guarantees when you’re doing this kind of thing.”

Tiny homes: ‘I’ve always had a lot of fun — really’

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After graduating from Warrenton High School, Bergerson started working at an Astoria fish plant and he and his boss became business partners building wooden fish boxes. Other wood products eventually spurred off of that.

Bergerson said he eventually converted the fish box business into his high-end window business, Bergerson Cedar Windows Inc. He recently closed his window company and is now working full time launching NW Cabin Co.

It is a business he can leave for his children, he said. He takes pride in the quality of his work, but



Nicole Bales/The Astorian
Chuck and Charlotte Bergerson in front of their warehouse in Hammond.

most importantly is able to have fun with the business and do it with his family.

“I’ve always had a lot of fun — really,” Bergerson said.