

Appellant's Exhibit 18

(as referenced in June 30, 2017

Appellant WPDC Cleveland LLC's Witness and Exhibit List)

Hearing Examiner Sharon A. Rice

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**BEFORE THE HEARING EXAMINER
FOR THE CITY OF REDMOND**

In the Matter of the SEPA Appeal of

File Nos: BLDG-2016-09802
BPLN2016-02092

WPDC CLEVELAND, LLC

**DECLARATION OF KEVIN R.
WALLACE**

of approved Building Permit BLDG-2016-09802/BPLN-2016-02092 authorizing alterations to the structure at 16390 Cleveland Street, Redmond Issued February 17, 2017.

KEVIN R. WALLACE , being first duly sworn upon oath, deposes and says:

1. I am over the age of 18, and competent to testify in a court of law as to the matters asserted herein. I am a licensed attorney on inactive status in the State of Washington, the President and Chief Operating Officer of Wallace Properties and the registered agent and manager of Appellant WPDC Cleveland, LLC in this matter. I have personal knowledge of the facts and circumstances set out in this declaration.

2. In May 2012, WPDC Cleveland, LLC ("WPDC") acquired the real property located at 16330 Cleveland Avenue, Redmond, WA 98052, which real property and then-existing improvements are described and depicted in the ALTA survey prepared by Continental Surveying Co. dated March 12, 2012, a true and correct copy of which is

DECLARATION OF KEVIN R. WALLACE - 1

SCHWABE, WILLIAMSON & WYATT, P.C.
Attorneys at Law
1420 5th Avenue, Suite 3400
Seattle, WA 98101-4010
Telephone: 206.822.1711

1 attached hereto as **Exhibit A** ("ALTA Survey"). The real property and improvements owned
2 by WPDC include the existing 27-stall parking lot and building that comprise all of the site
3 in the ALTA Survey ("WPDC Property"), except the building / area in the lower right
4 (southwest) corner of the survey.

5 3. The building / area shown in the lower right (southwest) corner of the ALTA
6 Survey is the real property and existing building located 16390 Cleveland Street, Redmond,
7 WA 98052, which is the proposed site of the Origins Cannabis retail marijuana sales
8 business at issue in the above-captioned appeal ("Project Site"). The WPDC Property
9 surrounds and abuts the Project Site on the west and north sides; the parking lot and garbage
10 / recycling areas of the WPDC Property abut the exterior of the building on the Project Site.

11 4. Since March 2014, Redprime, LLC dba the Prime Steakhouse has leased the
12 WPDC Property to operate the Prime Steakhouse restaurant. Per the terms of the lease,
13 WPDC invested \$112,500 in tenant improvements for the site, and the tenant (Prime
14 Steakhouse) cannot sublet, encumber or otherwise allow any third-party to use any portion
15 of the WPDC Property without WPDC's consent.

16 5. The Project Site has no parking onsite and no exterior garbage / recycling
17 facilities onsite. The Project Site has no easement rights over any portion of the WPDC
18 Property, other than a +/- five-foot (5') wide maintenance easement around the exterior. The
19 easement cannot be used for construction, parking, garbage / recycling, deliveries or any
20 other purpose other than to maintain the exterior of the existing building.

21 6. Since at least May 2012, the building on the Project Site has appeared to be
22 vacant, unoccupied and locked up. I have made many visits to the Prime Steakhouse and
23 other nearby businesses over the past five years, and I have never seen any person enter or
24 leave the building on the Project Site. When WPDC acquired the WPDC Property, we also
25 made an effort to acquire the Project Site. The then-owners were, in my opinion, asking too
26 much for the Project Site Property, so we declined to acquire it. For at least the past five

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1 years, the Project Site building has been empty and abandoned.

2 7. WPDC first learned of the Origins Project when I received an email from
3 local architect Rick Driftmeier on February 22, 2017, who alerted me that construction
4 activities were occurring in the building on the Project Site. As of that date, WPDC had not
5 received any notice of any permit application or permit approval for any activity on the
6 Project Site from the City of Redmond. On February 24, 2017, I contacted City planner
7 Gary Lee to inform him that we would file an appeal and asked that, as a courtesy, he notify
8 the applicant to avoid the applicant incurring any unnecessary expense. A true and correct
9 copy of my email to Mr. Lee is attached hereto as **Exhibit B**.

10 8. On March 2, 2017, WPDC filed an appeal of the Origins Project permits to-
11 date, including appealing the lack of notice and the City's unlawful piecemeal processing and
12 approval of a building permit and change of use permit without other necessary permits.

13 9. On March 15, 2017, I attended the pre-hearing conference for this appeal
14 before Hearing Examiner Rice. During the pre-hearing conference, I learned (again for the
15 first time) that the City had issued some sort of "stop work" order to the Origins Project
16 applicant and was requiring the applicant to submit the other related, necessary permits.

17 10. On March 31, 2017, WPDC received a notice dated March 29, 2017 from the
18 City of Redmond for a Site Plan Entitlement permit for the Andorra project, permit file
19 number LAND-2017-00290, a true and correct copy of which is attached hereto as **Exhibit**
20 **C**. That same day, I reviewed the City's website page for the Design Review Board and
21 reviewed the documents provided by the City and applicant for the City's April 6, 2017
22 Design Review Board public hearing on the Andorra Site Plan Entitlement Application. The
23 linked materials referred to the "Origin's Tenant Improvement and Change of Use" for the
24 Origins Cannabis project located at 16390 Cleveland Street, Redmond, WA.

25 11. On behalf of WPDC, my attorney Aaron Laing and I attended the Design
26 Review Board public hearing and provided comments on the Andorra Site Plan Entitlement

DECLARATION OF KEVIN R. WALLACE - 3

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1 Application, reiterating WPDC's objections to the Origins Project and the noting the already-
2 occurring impact the project was having on the Prime Steakhouse. During the meeting, a
3 half dozen or so other nearby business owners testified and raised concerns about the lack of
4 notice and parking and other impacts.

5 12. Since late-February 2017, I have verbally communicated with the Prime
6 Steakhouse owner Jason Bailey and numerous occasions. Mr. Bailey has shared with me his
7 frustration at having the project applicant's representatives and contractors park in the Prime
8 Steakhouse parking lot and delivery of a porta-potty and building materials on the lot.
9 Shortly before the Design Review Board hearing on April 6, Mr. Bailey shared with me that
10 the applicant's representative (Sean Miller) had spoken with him in late-February and asked
11 if the Origins Project could lease parking spaces from Prime Steakhouse because, as Mr.
12 Miller put it, "my customers are going to use your lot anyway."

13 13. If Prime Steakhouse is forced to spend time and resources policing its parking
14 lot or lose customers because the Origins Project has no parking, delivery area, or garbage /
15 recycling area, then Prime Steakhouse may fail as a business and thereby deprive WPDC of
16 rent and require WPDC to seek to release the premises. The Origin Cannabis business's
17 impact on the WPDC Property parking lot will diminish the attractiveness and viability of the
18 WPDC Property and reduce or eliminate potential rents and leasing opportunities. WPDC
19 must protect its substantial investment in the WPDC Property, including the tenant
20 improvement allowance it spent for the Prime Steakhouse.

21 14. Also, as has already occurred, the Origin's Project's representatives and
22 contractors have trespassed repeatedly on the WPDC Property. It is inconceivable that the
23 Origins Project can be constructed and / or operated without further trespass as the building
24 occupies the whole Project Site. WPDC has a right to prohibit any use of the WPDC
25 Property by any person or entity, other than the Prime Steakhouse, and is prepared to file suit
26 and seek a temporary restraining order and permanent injunction to prohibit further

DECLARATION OF KEVIN R. WALLACE - 4

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1 intrusions by the Origins Project applicant, representatives and contractors.

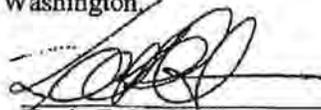
2 15. As part of the Design Review Board process, I learned that the applicant had
3 represented that it was seeking to lease one or more required parking spaces in the parking
4 lot serving the Key Bank across 164th Avenue from the Project Site. Wallace Properties
5 President Robert Wallace and I communicated with Key Bank's representatives and
6 confirmed that no such arrangement had been made or approved, as stated in an April 10-12,
7 2017 email string, a true and correct copy of which is attached hereto as **Exhibit D**.

8 16. Per the King County online GIS and Google Maps online measurement tool,
9 the Project Site is less than eight hundred feet (800') as measured from the Project Site's
10 closest property line to the closest property line of the Redmond Downtown Park, which has
11 an approved, funded Master Plan to construct (among other things) a splash playground for
12 children. Construction on the Downtown Park project has been underway since sometime
13 last fall.

14 17. By allowing the Origins Project to be sited less than one thousand feet
15 (1,000') from the Downtown Park, WPDC is harmed as it would not otherwise have to
16 address the trespass, parking and related traffic impacts associated with having the proposed
17 business located on the adjacent, abutting property. If the Origins Project were moved at
18 least two hundred feet (200') farther away from the WPDC Property, then it would be much
19 less likely that employees, customers, delivery personnel, garbage / recycling collectors and
20 other persons associated with Origins Cannabis business would trespass on the WPDC
21 Property.

22 *I declare under penalty of perjury under the laws of the State of Washington that the*
23 *foregoing is true and correct to the best of my knowledge and belief.*

24 DATED this 28 day of April, 2017 at Bellevue, Washington.

25 
26 Kevin R. Wallace

DECLARATION OF KEVIN R. WALLACE - 5

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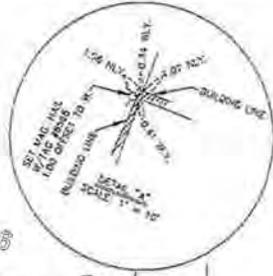
EXHIBIT A

289190

NOTE: THE PLAT OF TOWN OF REDMOND AS RECORDED WILL NOT PROVIDE SUFFICIENT DIMENSIONS, BEARINGS AND PERMANENT CONTROL MONUMENTATION WITHIN THE PLAT. IT IS NECESSARY TO RELY ON ADDITIONAL INFORMATION IN ORDER TO MAKE A SURVEY WITHIN THIS PLAT.

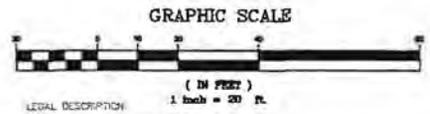
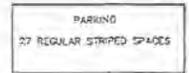
REFERENCES:

- SURVEY DRAWING MADE BY DEBRAJAND CHAKRABORTY DATED 10-9-02
- SURVEY DRAWING MADE BY GEO-ME INC. DATED 11-02-03
- R.C.S. #231128000 VOL. 08 PG. 76 KING COUNTY, WASHINGTON
- PLAT OF TOWN OF REDMOND VOL. 2 OF PLATS, PAGE 74 KING COUNTY, WASHINGTON
- CITY OF REDMOND BOUNDARY LINE ADJUSTMENT REC. #2008030790001 VOL. 231, PAGES 110-119 KING COUNTY, WASHINGTON
- CITY OF REDMOND BOUNDARY LINE ADJUSTMENT REC. #2008121790001 VOLS. 237, 240, 241, 248, 252 KING COUNTY, WASHINGTON



- LEGEND:
- DENOTES FOUND CASED CONCRETE MONUMENT
 - DENOTES SET REBAR WITH LS CAP #8566
 - ✕ DENOTES SET TACK IN LEAD W/TAC #8566

NOTE: THE WHITE STAKES SET NEAR THE PROPERTY CORNERS ARE FOR LOCATION PURPOSES ONLY, AND DO NOT PURPORT TO BE THE RECORD PROPERTY CORNERS.



LEGAL DESCRIPTION:
 PARCEL NO. 719800008
 LOTS 1, 2 AND 3, BLOCK 6, TOWN OF REDMOND, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 7 OF PLATS, PAGE 74, IN KING COUNTY, WASHINGTON;
 EXCEPT THE SOUTH 26 FEET OF SAID LOT 1
 SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

BEARINGS BASED ON CALC'D S 69°08'30" E ALONG CENTERLINE CLEVELAND ST. AND CONDUCTED FIELD MEASUREMENTS.

- NOTES:
- NO COPY OF THIS INSURANCE POLICY HAS BEEN FURNISHED TO THE SURVEYOR. THIS SURVEY DOES NOT CONSTITUTE A TITLE SEARCH BY THE SURVEYOR. NO ATTEMPT HAS BEEN MADE BY THE SURVEYOR AS A PART OF THIS SURVEY TO SHOW DATA CONCERNING EXISTENCE, SIZE, DEPTH, OR LOCATION OF ANY UNDERGROUND UTILITIES OR STRUCTURES, NOR OF ANY EASEMENTS WHICH AN ACCURATE AND CURRENT TITLE SEARCH MAY DISCLOSE. LEGAL DESCRIPTION WAS FURNISHED TO THE SURVEYOR BY THE CLIENT, AND THE SURVEYOR ASSUMES NO LIABILITY OR RESPONSIBILITY FOR VERIFYING THE CORRECTNESS OR COMPLETENESS OF THAT LEGAL DESCRIPTION.
 - WE HAVE SURVEYED THE PROPERTY DESCRIBED IN THE LEGAL DESCRIPTION PROVIDED BY THE CLIENT. WE HAVE NOT EXAMINED THE TITLE TO THE PROPERTY SURVEYED BY ITS ADVISORS.
 - FIELD SURVEY WAS CONDUCTED JULY 9, 2009 & MARCH 5, 2012.
 - INSTRUMENTATION FOR THIS SURVEY WAS A TOPCON CTS-303 ELECTRONIC TOTAL STATION.
 - PROCEDURES USED IN THIS SURVEY INCLUDE FIELD TRAVEL, MEETING OR EXCEEDING STANDARDS SET BY W.A.C. 332-130-090.
 - THIS IS A COMPUTER AIDED DRAWING - DESCRIPTIONS AND COORDINATES CAN BE FOUND ON SEPARATE LAYERS.
 - BUILDING LOCATION IS BASED ON MEASUREMENTS TO EXTERIOR CORNER TRIM, UNLESS OTHERWISE NOTED.
 - DIMENSIONS TO BUILDINGS ARE AT RIGHT ANGLES TO PROPERTY AND RIGHT OF WAY LINES.

PORTION OF NE 1/4 SEC. 17, T25N, R. 5E, W.M., KING COUNTY, WASHINGTON

NOTE: THIS SURVEY HAS BEEN PREPARED FOR THE EXCLUSIVE USE OF THE PARTIES WHOSE NAMES APPEAR HEREON ONLY, AND DOES NOT EXTEND TO ANY UNNAMED THIRD PARTIES WITHOUT EXPRESS REIDENTIFICATION BY THE LAND SURVEYOR.

RECORDED

20120719900004

CONTINENTAL SURVEYING 128 08
 1995-2012 OF 01
 2100 COUNTY W

Reg. [Signature] Supt. of Records

SURVEYOR'S CERTIFICATE

This map correctly represents a survey made by me or under my direction in conformance with the requirements of the Survey Recording Act of the request of WALLACE PROPERTIES DEVELOPMENT COMPANY L.L.C. 7012

[Signature]

Certificate No. 8568

CONTINENTAL SURVEYING CO.

10007 GREENWOOD AVE. N.
 P.O. BOX #33725
 SEATTLE, WA 98133

PHONE: (206) 783-7177
 FAX: (206) 789-5568

EMAIL: landsurveyors@comcast.net

PREPARED FOR

WALLACE PROPERTIES DEVELOPMENT COMPANY L.L.C.

DWN. BY: N.A.P.	DATE: 3-12-12	JOB NO: 2048
CHKD. BY: F.W.H.	SCALE: 1" = 20'	SHEET: 1 OF 1

EXHIBIT B

Laing, Aaron M.

From: Kevin Wallace <kwallace@wallaceproperties.com>
Sent: Friday, February 24, 2017 8:01 AM
To: glee@redmond.gov
Cc: Courtney Skony; Laing, Aaron M.; Reimers, Milt A.; Robert Wallace
Subject: 16390 Cleveland, Permit #BLDG-2016-09802

Mr. Lee,

I represent the owner of the property at 16330 Cleveland, where the Prime restaurant is located. Two days ago we became aware of construction work being undertaken in the warehouse that neighbors our property, and that the City of Redmond had issued a permit for the construction. As a courtesy to our neighbor I am alerting you to the fact that we will be filing an appeal of the permit next week. I encourage you to inform the owner of 16390 Cleveland so that they can decide whether to continue to spend additional money on construction in the warehouse.

Kevin R. Wallace
Wallace Properties, Inc.
330 112th Ave. NE #200
Bellevue, WA 98004
(425) 278-6363 (Direct)
(425) 802-5701 (Cell)

EXHIBIT C



Date: March 29, 2017

SUBJECT: Andorra

Dear City of Redmond Property Owner:

The City of Redmond has received an application to develop land that is within 500' of your property. Since the proposal is close to your property and the proposal might affect you, your property, or your neighborhood, the City is sending you this letter and the enclosed materials for you to review. With this letter, you will find the following:

1. A vicinity map showing the proposal's location.
2. A public notice describing the proposal, and the methods and deadlines for you to provide comments to City staff.
3. A preliminary site layout illustrating the proposal's design.
4. A process flow chart illustrating where, when, and how you can submit comments.
5. A preliminary tree preservation plan (only if tree removal is proposed).

The City invites you to comment on this proposal. You may submit your written comments to the City (see the enclosed public notice for contact information). Comments may be mailed, e-mailed, or faxed.

You should feel free to share this with neighbors. Some neighbors may not have received this packet. People not receiving notices are often those neighbors who recently purchased their property or whose property is over 500' from the proposal. Although not officially notified, these neighbors may provide comments also. To receive future notices, they may also request to be a "party of record". To become a party of record an interested person should call, write, or e-mail the contact person, and request to be a party of record.

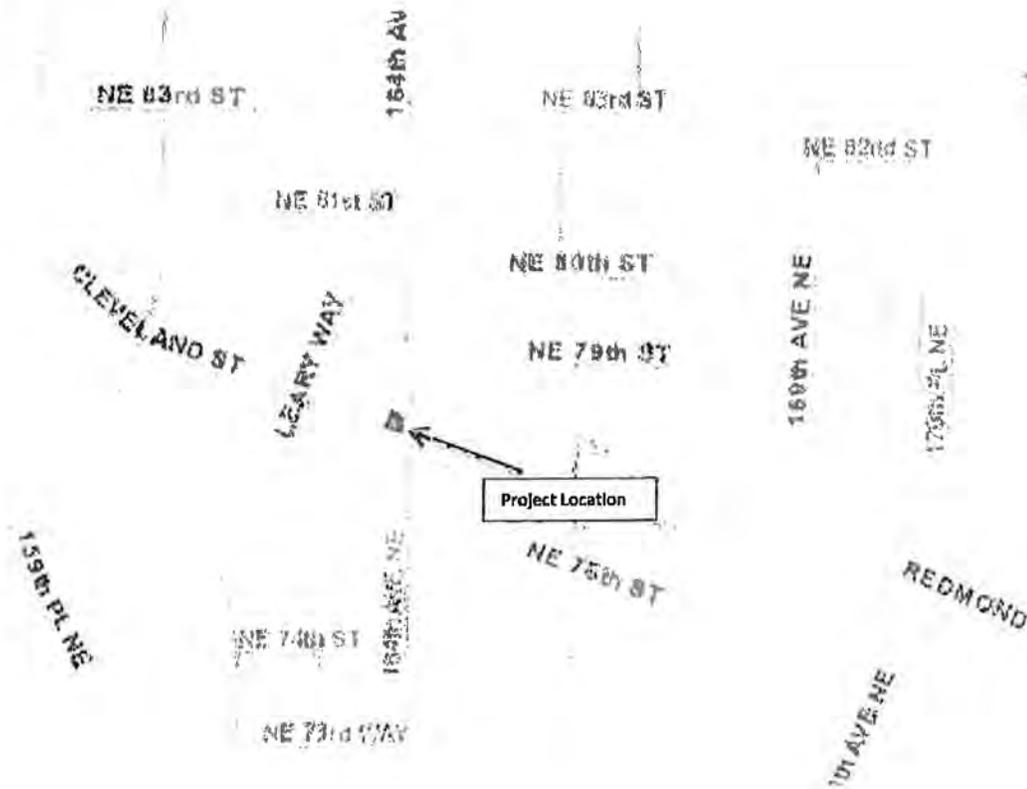
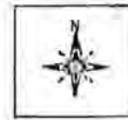
The City of Redmond looks forward to receiving your comments or answering your questions. Finally, on behalf of the City, I thank you for your interest and participation in your community, the City of Redmond.

Sincerely,

Robert G. Odle
Director of Planning and Community Development

VICINITY MAP

Project Name: Andorra
Address: 16390 Cleveland Street
Parcel Number(s): 7198800085





City of Redmond Notice of Application

For more information about this project visit www.redmond.gov/landuseapps

Project Information

Project Name: Andorra

Application Type: Site Plan Entitlement

File Number: LAND-2017-00290

Project Description: Improvements to existing structure with interior & exterior renovations and conversion to (M) Retail and future potential use of 1,500 sf for retail marijuana sales.

Project Location: 16390 Cleveland ST

Site Address, if Applicable: 16390 CLEVELAND ST

Size of Subject Area in Acres: 0.07 Sq.Ft. 0

Applicant: Sean Miller

Process Type: II (see attached flow chart)

A Public Hearing is not required for this application type.

Required Permits, not a part of this application:

Building Permits

Required Studies:

None

Existing Environmental Documents, relevant to this application:

None

City Contact Information

Project Planner Name: Gary Lee

Phone Number: 425-556-2418

Email: glee@redmond.gov

Important Dates

Application & Completeness Date: March 21, 2017

Notice of Application Date: March 29, 2017

To allow a minimum comment period as specified in RZC, the City will not issue a decision on this project prior to **Apr 19, 2017**.
If date ends on a weekend or holiday comments are due on the next business day.

Regulatory Information

Zoning: Old Town

Comprehensive Plan Designation: Downtown Mixed Use

Consistent with Comprehensive Plan: Yes

Applicable Development Regulations: Redmond Municipal Code & Zoning Code

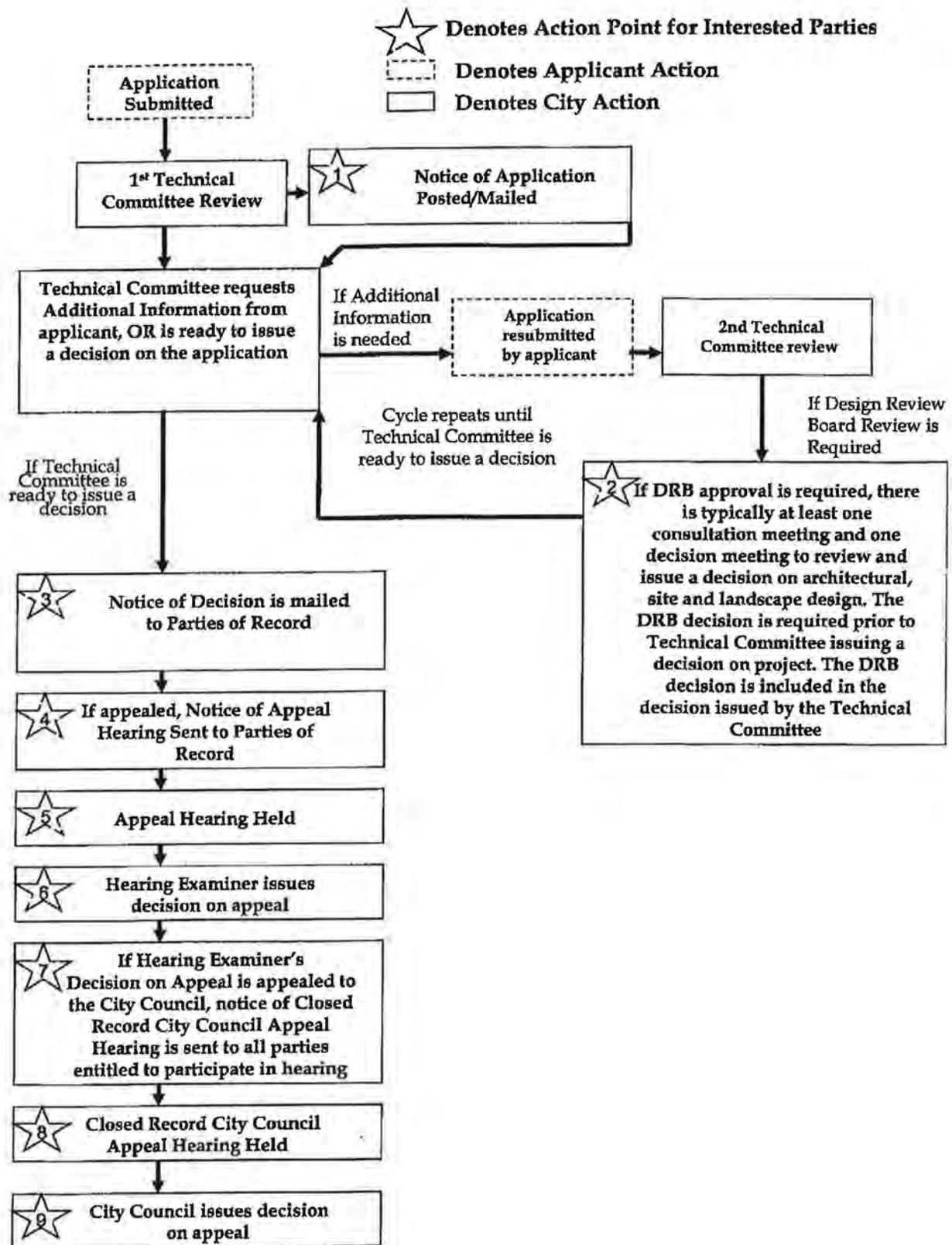
Public Comment

Although comments are accepted up until the decision is issued, submittal of comments during the comment period required in RZC, will ensure comments are considered prior to issuing a decision and will allow staff and/or the applicant to address comments as early in the process as possible. In addition, persons who want to be informed of future actions or would like to become a party of record on this proposal must provide their name and mailing address to the project planner. Submit written comments or name and address to be added as a party of record to the City of Redmond Planning Department, Development Services Center 15670 NE 85th Street, P.O. Box 97010, Mail Stop 25PL, Redmond, WA 98073-9710, or fax to 425-556-2400. The final decision on this proposal may be appealed according to the City appeal provision specified in RZC Chapter 21.76, Review Procedures.

Process Flow Chart for: Site Plan Entitlement Applications

Site Plan Entitlement applications follow the Type II process. The Type II process includes review by the Technical Committee, with the Technical Committee as the decision maker. Design Review Board approval is typically required. There is no public hearing requirement.





Notes on Participation Points 1-9

#1- Notice of Application for (completed within 14 days of application):

Sent to: Applicant, property owners and residents within 500 feet

Posted: On site, City Hall, Library, Internet.

Who May Participate? Any interested party may submit comments prior to decision to establish themselves as Party of Record. You must become a Party of Record to reserve right to appeal the Technical Committee's Decision. Although comments are accepted up until the decision is issued, submittal of comments during the 21 day comment period is encouraged to allow staff and/or the applicant to incorporate changes as early in the design process as possible.

#2-Design Review Board Review (if required):

Notice: Notices of DRB meetings are not provided on a project specific basis. However DRB meetings are held regularly on the 1st and 3rd Thursday evenings of each month (with some exceptions).

Who May Participate? Any interested party may attend the Design Review Board meetings and may submit comments at the meetings.

Can I appeal the Design Review Board's Decision? The DRB decision and associated conditions are incorporated into the Technical Committee decision for the project. Therefore, if one wishes to appeal a DRB condition, one must wait until the Technical Committee issues the final decision on the project and follow the appeal procedures noted therein.

#3-Notice of Decision (sent the day of decision issuance):

Sent to: Applicant and Parties of Record

Posted: No posting on site

Can the decision be appealed? Yes, the Technical Committee decision may be appealed to the Hearing Examiner. However only the applicant and Parties of Record can appeal.

When must an appeal be submitted? Appeals must be submitted by 5:00 p.m. on the 14th day following the issuance of the decision.

#4-Notice of Hearing Examiner Appeal Hearing:

Sent to: Applicant and Parties of Record

Posted: No posting on site

#5- Hearing Examiner Appeal Hearing Held:

Who can participate? The appellant, the applicant and the City shall be designated parties to the appeal. Each party may participate in the appeal hearing by presenting testimony or calling witnesses to present testimony. Interested persons, groups, associations, or other entities who have not appealed may participate only if called by one of the parties to present information; provided, that the Examiner may allow non-parties to present relevant testimony if allowed under the Examiner's rules of procedure.

#6-Hearing Examiner Issues decision on appeal:

When: The decision is issued within 14 days after hearing

Who receives the decision? Applicant, appellant and anyone who participated in the hearing

Who can request reconsideration? Any person who participated in the hearing may file a request for reconsideration with the Hearing Examiner within 10 business days of the date of the Hearing Examiner's decision.

What if a Party of Record requests reconsideration? The Hearing Examiner shall act within 14 days after the filing of the request by either denying the request, issuing a revised decision, or calling for an additional public hearing.

Can the Hearing Examiner Decision on the appeal be appealed to City Council? Yes, the decision on the appeal may be appealed within 14 days following the expiration of the reconsideration period. Only the City, project applicant or any person who participated in the appeal hearing may appeal.

#7-Notice of City Council Closed Record Appeal Hearing:

Sent to: The applicant, appellant and/or representatives of these parties

Posted: No posting on site

#8-City Council Closed Record Appeal Hearing Held:

Who May Participate? The applicant, the appellant, the applicable department Director or representatives of these parties.

#9-City Council Issues decision:

When: Typically within two weeks following the Closed Record Appeal Hearing.

Notice Sent To: Applicant, Appellant and/or their representatives

Appeal Provision: The final decision on the appeal is appealable to King County Superior Court within 21 days from issuance of Notice. To have standing to appeal, one must meet the criteria under the Land Use Petition Act (L.U.P.A.).

EXHIBIT D

Laing, Aaron M.

From: Roehm, John E <John_E_Roehm@keybank.com>
Sent: Wednesday, April 12, 2017 10:20 AM
To: Robert Wallace; Scheuermann, Jill A
Cc: Laing, Aaron M.; Kevin Wallace
Subject: RE: Marijuana parking

Bob,

I spoke with Eric Scroggins the other night and he stated he had not heard anything directly from the pot shop. He stated his comments were based on a drawing that was submitted to the city. I let him know for the record we will not be leasing anyone parking spaces in Redmond outside of our current agreement with Diamond Parking. Thank you for bring this to our attention so we could let our intentions be known and if you hear anything on this matter please let us know.

Thanks

John

John Roehm
Senior Vice President & Regional Retail Sales Leader
Washington Region
WA-31-11-0206
1329 4th Avenue, 2nd Floor, Seattle, WA 98101
Phone: 206-224-6461
Fax: 206-223--1683
john_e_roehm@keybank.com

Use the red key.SM

-----Original Message-----

From: Robert Wallace [mailto:rwallace@wallaceproperties.com]
Sent: Monday, April 10, 2017 5:26 PM
To: Scheuermann, Jill A
Cc: Aaron M. <ALaing@SCHWABE.com> Laing; Kevin Wallace; Roehm, John E
Subject: Re: Marijuana parking

Thanks, Jill, we'll definitely keep you in the loop. Kind of brazen of them to be telling people that you're providing them stalls before an agreement is signed (for off site stalls to work for their permit, a recorded perpetual easement would be required). These guys also tried to rent from our tenant (Prime) and told him he'd just as well take the money because the pot heads would be parking on him anyway.

R.C. Wallace, CEO, Wallace Properties, Inc. (425) 455-9976

> On Apr 10, 2017, at 5:01 PM, Scheuermann, Jill A <jill_a_scheuermann@keybank.com> wrote:

>
> Bob -
>
> Rest assured you are not boring me with this as we do not want our name associated with this entity. I appreciate the information below and will work with our partners to do more digging. Again, we have been assured that no contract has been signed by KeyBank or Diamond Parking for a long-term lease of any stalls.
>
> Please continue to send information as you receive it to both John Roehm and me.
>
> Best,
>
> Jill Scheuermann | SVP
> KeyBank National Association
> 1301 Fifth Avenue | 24th Floor | WA-31-13-2474 | Seattle, WA 98101
> 206.684.6203 | jill_a_scheuermann@keybank.com | fax: 206.689.5959
> Alternative Contact: Eva Meneses | 206.684.6033
> www.key.com
>
>
> -----Original Message-----
> From: Robert Wallace [mailto:rwallace@wallaceproperties.com]
> Sent: Monday, April 10, 2017 4:52 PM
> To: Scheuermann, Jill A
> Cc: Aaron M. <ALaing@SCHWABE.com> Laing; Kevin Wallace
> Subject: Marijuana parking
>
> Jill, we are still waiting for the transcript from last week's public hearing on the matter. We also learned of the 'Key Bank parking' from one Eric Scroggins (Banner Bank) who is a board member of One Redmond (sort of a chamber and downtown association combined).
>
> The city is apparently taking the position that despite the fact that the warehouse hasn't been used for decades, selling marijuana wouldn't be considered a change of use (we don't agree). But, the addition of a mezzanine would require one parking stall, which problem they say they have solved by leasing from you. For that to be valid, one would think the term of the parking lease would have to be long-term (unlikely that the bank would have done that).
>
> Another of Scroggin's members, opining on all this, said that even if our appeal prevails and it is determined that they need to provide parking for the retail space, they could easily solve the problem by 'leasing 4 more stalls from Key Bank,'
>
> I'm sorry to bore you with this, but it would really be helpful to better understand what commitments and for what term, if any, the bank is contemplating.
>
> Best,
>
> BW
>
> R.C. Wallace, CEO, Wallace Properties, Inc. (425) 455-9976
>
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>
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