

From: [Laing, Aaron M.](#)
To: [City Council](#)
Cc: [Anderson, James C.](#); [Dunphy, Dennis](#); [Clk; Dan Eernisse](#); [Julie Underwood](#)
Subject: Public Comment - Resolution No. 345 (Aurora Square Community Renewal Plan)
Date: Monday, July 08, 2013 10:41:27 AM
Attachments: [2013-07-08 Sears Ltr to City Council re Comments on Aurora Square CRA.PDF](#)
Importance: High

Dear Mayor McGlashan & Councilmembers,

Attached please find a copy of a comment letter submitted on behalf of Sears.

I plan to attend this evening's Council meeting, and I welcome any questions from you or your Staff.

Respectfully yours,

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July 8, 2013

VIA E-MAIL, FIRST CLASS MAIL AND HAND DELIVERY

City Council
City of Shoreline
17500 Midvale Avenue N
Shoreline, WA 98133-4905

Email: council@shorelinewa.gov

Re: Comments on Aurora Square Community Renewal Area Resolution No. 345

Dear Mayor McGlashan and City Councilmembers,

We hope this finds you well. We write on behalf of our client and long-time community member Sears, whose property comprises a significant portion of the Community Renewal Area subject to Resolution No. 345 (hereinafter, "Aurora Square CRA"). While we laud the City's initiative in seeking to invest in the community, we are concerned by the lack of direct stakeholder input in the process and believe that the asserted basis of the Aurora Square CRA is not empirically supported.

Moreover, we are concerned that the manner in which the City is proceeding—both timing and substance—will have detrimental impacts on our client's successful and ongoing business. Of greatest immediate concern is the implicit message to our customers and employees that the City does not value Sears as an ongoing, viable and valued member of the local community. We hope that you will consider our concerns, including the specific points below, and refrain from taking action on Resolution No. 345 or any community renewal plan until the City has met with our client and other property owners within the Aurora Square CRA.

Having reviewed the meeting minutes, video presentation and other electronically-available information on the Aurora Square CRA, we provide the following comments for your consideration:

- On August 13, 2012, Councilmember Hall inquired into the outreach to the underlying property owners, and the City's Economic Development Manager Dan Eernisse responded that some are generally supportive and there haven't been any negative

opinions. This changed by September 4, 2012, during which Council meeting Mr. Eernisse reported that, with regard to the owners of Aurora Square, three of the current property owners have been silent, two have been supportive, three are cautiously supportive, and the other two oppose the CRA. Consultants for Sears met with City Staff last year prior to initiation of the CRA process to discuss generally the potential for value-added development opportunity on vacant portions of the Sears property. It is inconceivable that such informal discussions could be construed as support for a master plan predicated on the demise of Sears and its replacement with public uses that principally include those of the community college.

- During the September 4, 2012 Council meeting, Mr. Eernisse also stated “First and foremost the property owners themselves should be the ones that have the most notice.” He went on to say that the City is working with the property owners and would have an opportunity to expand the outreach to the owners during the planning process. To-date Sears does not recall having any specific discussion of the CRA or any proposed master plan, community renewal plan and / or overlay with the City. The materials included in the Council’s June 10, 2013 packet are the first and only glimpse Sears has had of the proposed community renewal plan.
- As noted by Mr. Eernisse at the September 4, 2012 Council meeting on Resolution No. 333, the process is a two-step process in which the City first decided (on that date) to designate an area subject to a proposed CRA and then later would adopt a community renewal plan with community input. It appears that this latter step is before you on Resolution No. 345. Without an opportunity to discuss the proposed plan, it is not clear whether the plan is viable or even desirable, especially to the underlying property owners. Notably, as reflected on page 7 of the Staff report for tonight’s meeting, the Stakeholder Input following adoption of Resolution No. 333 shows that the current owners of the property subject to the Aurora Square CRA were not part of the Staff outreach. Sears has yet to take a position, in part because there has been nothing of substance to comment on and no meaningful engagement by the City.
- Much of the discussion on September 4, 2012 surrounded the concept of “economic blight.” Mr. Eernisse’s observations that the Aurora Square CRA properties are “underperforming” relative to the Aurora Village shopping center to the north appear to conflate the concept of blight with a desire to see more tax revenue. Sears continues to enjoy strong sales at this location and plans to continue its 45+-year relationship with the community as an employer and retail destination.
- The materials to-date, as well as the video presentations and meeting minutes for the Council’s August 13, 2012, September 4, 2012, June 10, 2013 and June 17, 2013, emphasize that eminent domain would not be used. Sears appreciates the City’s continued commitment not to use eminent domain. Sears especially appreciates Deputy Mayor Eggen’s September 4, 2012 comments that he wants to ensure the process will not be a heavy-handed effort and the Council’s unanimous adoption of his friendly amendment to Resolution No. 333 to include the phrase “Whereas, the City of Shoreline



respects private property rights and wants to work with the property owners in Aurora Square in a cooperative fashion.” Nevertheless, Sears is concerned that the premature adoption of a community renewal plan without meaningful stakeholder input is “heavy-handed” and ultimately will not result in successful redevelopment.

- Throughout the process, the City has noted that ten different property owners own the multiple parcels that comprise the Aurora Square CRA site, which presents significant challenges for planning and redevelopment. We wish to underscore this point and note that many of the underlying parcels, including those owned by Sears, are benefited and burdened by reciprocal covenants and easements that govern, *inter alia*, uses, parking and access. It is apparent that the challenges presented by the rights and obligations in these recorded documents have not been considered in preparing a community renewal plan. It will take unanimous agreement among many of the property owners to address these challenges. Adopting a plan without regard to such realities is premature and is unlikely to yield renewal.
- With regard to the proposed community renewal plan, during the June 10, 2013 Council meeting, Mr. Eernisse indicated that the City is not in a position to master plan the entire area but rather to identify current conditions and “get the ball rolling” to allow the private sector to move forward. The proposed plan, which involves only the private property owned by Mr. Tsang and the Sears property, appears to designate the Sears property for a variety of municipal uses. It is unclear how the City arrived at the conclusion that redeveloping the Sears site in a manner that takes the Sears store out of service as such is desirable or viable to Sears, and it is even less clear how the City determined that the site would redevelop as such in the next three to five years.
- Mr. Eernisse’s June 10, 2013 comments (paraphrased) that the “CRA plan is intended to be a marketing piece to take to the development community” implies that—despite the City’s purported respect for property rights and promise not to use eminent domain—suggest that the City intends to determine and control (to use his word) “unilaterally” the redevelopment of the Sears property with City-determined “CRA projects.” The focus on “public-private partnerships” and the allusion to an existing private partner suggest that the City is prepared to force the redevelopment of the Sears site through some agreement with another private entity. Sears will vigorously oppose any such effort.
- The Council’s June 17, 2013 meeting does not reference Resolution No. 345; it only references setting a hearing on July 8, 2013 for Resolution No. 346, the Property Tax Exemption Program for the Aurora Square CRA. The two resolutions are not mutually exclusive and do not cover the same topic. It is unclear when, if ever, the Council (as opposed to Staff) set a public hearing on Resolution No. 346. Since September 4, 2012, there has been a single public meeting—the June 10 Council meeting—regarding the substance of the proposed community renewal plan. One meeting. And no input from Sears.

In closing, we note and appreciate that, since the inception of the Aurora Square CRA initiative, the Council has repeatedly and consistently admonished the Staff to ensure that any planning would occur through an open, stakeholder-driven process that emphasizes the input of



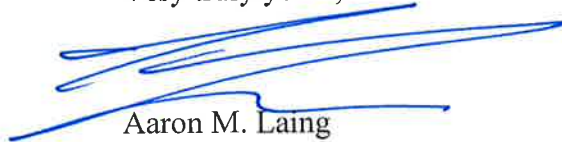
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those most affected by the proposal, the underlying property owners. Despite the Council's efforts, this has not been the case. Our client has been a significant part of this community for nearly a half-century, providing jobs and goods and significant tax revenue to the community. We ask that the Council table Resolution No. 345 and direct Staff to engage with the underlying property owners prior to presenting a community renewal plan for adoption.

Thank you for your thoughtfulness and consideration.

Very truly yours,



Aaron M. Laing

AAAL:aal

Cc: Client
Dennis J. Dunphy

