Exhibit E2: Cary Falk

From the Desk of

Cary Falk

P.O. Box 2521
Redmond, Washington 98073
Phone 425-681-5400
cary@caryfalk.com

November 12, 2013

City of Redmond
Jeff Churchill, Kimberly Dietz, Lori Peckol, Colleen Kelly and Rob Odle (City)

The Southeast Redmond Citizens Advisory Committee (CAC)
Nancy Barevics, Matt Eldrenkamp, Manish Garg, Howard Hillinger, Ryan Lusso, Ed Sargent, Mike Schroeder, Natalya Tkach, Mellina White-Cusack, Steve Whitecarver

Greetings to all!

I will be addressing the CAC and the City this afternoon with regard to the addition of an "overlay district" to my "Manufacturing Park Zoning" for my property located at 18001 NE 76th St.

I thought it appropriate to send this letter in advance of my presentation to allow the CAC and the City time to digest the content.

After receiving the letter from the City on Friday, asking the CAC **not** to recommend the addition of "Overlay" to the Manufacturing Park Zoning, Jeff Churchill invited me to meet with the City in advance, which I did this morning at 10 AM. The purpose of the meeting this morning was to further understand the process for a zoning change.

Based on the information communicated at the CAC meeting I attended and the communication between my architect, Jim Anderson, with the City, we both believed that the addition of "Overlay" was a given. There was little or no discussion on the subject at the meeting I attended. I purposely did not attend the Open House that allowed public comment due to the fact that I assumed, inaccurately, that the addition was a foregone conclusion.

In the letter sent to the CAC last Friday night, the City asked the CAC **not** to recommend the change to "Overlay". Upon receipt, I was alarmed/surprised realizing that my perception of the "foregone" nature of this addition of "Overlay" was gravely in error.

The City attendee to the meeting today was Jeff Churchill, Kimberly Dietz and Lori Peckol. They explained the many steps remaining to get to the final decision on any zoning change by the City Council. It was helpful to know that this will be a long process, with many more steps over the next 7 months.

I shared my disappointment at the meeting this morning regarding the following.

a. That there were no dissent/objections/negative comments or anything at the meeting I attended with regard to the change of zoning, and because of that, I have not lobbied for this change. Inaccurately, I assumed that it was going to happen.

b. That I was notified at the very last minute, 4:40 PM last Friday night, with a holiday in between the final meeting time allowed almost no time to respond.

c. That the City Staff appeared to be attempting to influence the CAC when the CAC, from what I knew previously, should be acting under their own mind and making their own recommendation to the City Council.

In the meeting this morning, I asked the City to re-consider and even potentially withdraw their request that the CAC not recommend the change in zoning for the reasons that you will read below. I also asked that the City forward this letter from me to the CAC in advance of the meeting so that the CAC members would have some time to think about the "Overlay" issue in advance of the meeting.

There was a recommendation that the "Overlay District" be extended up the hill on the Redmond/Fall City Road. My only concern and my only interest is the "Overlay District" change on my street to 76th and 180th.

1. On 180th, there are retail businesses already in the MP zoning. There is a Pond Supply Store, a Root Beer Store and a Blown Glass School retailing all of the students blown glass works. Clearly, these businesses are in violation of MP zoning. I am not suggesting that the City shut them down. I am asking the City to change the zoning and allow them to operate legally.

2. I owned and operated a retail sales office since 1987 at my own location, 18001 NE 76th St, Redmond, over 26 years. Technically, I could not have done so under the MP zoning.

3. Today, I am faced with a compelling situation. Effective January 1st, 2014, for the first time in 30 years, I will have a serious level of vacancy, over 50%. When I bought the business park, IDD Aerospace, now Zodiac, had manufacturing here. That has gone to Mexico and so did the rent for 16,000 feet of space.

4. I had Diagnostic Ultrasound, a medical manufacturing company and they have gone. Even though I have not increased my rents by more than 10% in 20 years, we do not attract manufacturing tenants. Manufacturing Tenants either don't exist or they can find cheaper rent at other locations with lower taxed land values.

5. In my meeting with the City today, I explained that I have had tenant leasing opportunities that I could not fill due to zoning. "Overlay" zoning would have allowed me to lease to the following low impact Tenant uses:

Real Estate Services	Limited to mini-warehouses except in Overlay Zone
Heavy Consumer Goods	Limited to repair and rental of goods, and membership wholesale/retail warehouses except in Overlay Zone
Durable Consumer Goods	Same restrictions as Heavy Goods
Consumer Goods, Other	Same restrictions as Heavy Goods
Health and Personal Care	Only in Overlay Zone
Finance and Insurance	Only in Overlay Zone
Professional Services	Limited to research and development and other uses supporting another permitted use in the MP Zone except in Overlay Zone
Administrative Services	Limited to corporate HQ and regional offices associated with manufacturing or wholesale trade uses in an MP Zone except in Overlay Zone
Personal Services	Only in Overlay Zone
Pet and Animal sales	Only in Overlay Zone (veterinary not allowed)
Ambulatory and Outpatient Care Services	Only in Overlay Zone

Heavy Consumer Goods:	Furniture, hardware, lawn and garden supplies, building materials, electronics and appliances, and heating and plumbing equipment.
Durable Consumer Goods:	Apparel, appliances, home furnishings, paint, hardware, toiletries, jewelry, sporting goods, books, magazines, music, videos, computer hardware and software, toys and similar items.
Consumer Goods, Other:	Florists, art dealers and art supply stores and sales of similar goods.

As you can see from the list above, the "Overlay" allows for a lot more than just "Retail" use. Allowing the "Overlay" will give me the ability to lease to Tenants that I have had to turn away recently and still leave me with the ability to lease to manufacturing type needs in the future.

Allowing "Overlay" at my location will level the playing field between my Business Park, Eastside Business Park, and Park East, the business park where the Pomegranate Restaurant is located. At this time, Park East has a huge competitive advantage.

I am asking the City and the CAC to recommend the "Overlay". The existing uses, in violation of City zoning, clearly demonstrate the real demand on this street. The retail Pond Supply Store, the Root Beer Store and the Blown Glass Store would not be at their respective locations were it not for the retail exposure that they have on 180th. None of those businesses are destinations (like Safeway or Fred Meyer). They don't create traffic issues or other requirement for studies.

The City has expanded in size rather dramatically during my 26 years working here. There was no Home Depot, my direct neighbor. There was no Fred Meyer, my direct neighbor. There was no Discount Tire, Target, or any of the other direct retail neighbors to my buildings. 26 years ago, there was not much here at all so manufacturing may have been all that this area would have attracted.

In the interest of fairness, existing use and the obvious change of use of this entire neighborhood, I am asking for the CAC to recommend the "Overlay" at my location. I am also asking the City staff to reconsider their current position in light of the information in this letter.

Thanks for all for your time and consideration of the enclosed information.

Respectfully,

Cary Falk
Owner