

## Fred McCarthy's Responses to Comments Made By Mr. and Mrs. Kleiner et al.

### Responses to Mr. Kleiner's Statements

1. Mr. Davolio was told over the phone by our attorney that we needed to do a street vacation and then the land swap. I'm just stating what Mr. Davolio said. He informed me of this and was working on putting some costs estimates together prior to informing the council of receiving this information. It sounded strange to me that the attorney would give different advice to Mr. Davolio than I thought he had given to Mr. Arango; but I have come to believe that each of them could have heard the same advice and interpreted it in different ways.
2. I think Mr. Arango had his ideas of the challenges of a street vacation and Mr. Davolio saw these as major obstacles as explained to him by the attorney.
3. I never vowed anything. I did say the city was behind their efforts and we would do all we could to help an. I didn't mean we would give them something for free or make a gift of public funds or waive steps necessary for permitting or procedures to be followed.
4. I remember it being suggested that paying for the land given in the land swap was an alternative. I have been open to whatever seemed like the most desirable to them of a land swap or paying for the additional land use.
5. I didn't say I had an un-named individual interested in the property. I said that someone had offered that if the Kleiners needed financial assistance that an individual was open to helping them. I have been under the impression that the costs of this project have been surprising and much more than the Kleiners anticipated.
6. I don't recall ever being told about 10 cribbing stacks that were rotting. I don't know what a cribbing stack is and have never heard that term before.
7. I also don't recall any discussion about bracing of the building etc.
8. I have always treated the Kleiners with consideration and respect and fairly.
9. There was a time when the County Assessor said that Mr. Kleiner had called and indicated that the building had been deemed uninhabitable by the city and this would affect by lowering its assessed valuation and taxes. We in the city could find no record of the building being deemed uninhabitable and told this to the assistant assessor over the phone.
10. The discussion of an attorney's opinion I believe was referring to the early on opinion from Mr. Kenyon, which was provided to the city under the attorney/client relationship.
11. The elevator concepts were very preliminary and only further discussed because in a previous meeting with the Kleiners, Mr. Davolio had thought they were highly interested in this alternative concept. I thought it was a creative idea worth discussing at a very preliminary conceptual level. There was no intention on my part to push the Kleiners in the direction of an elevator and walkway. I was told before the meeting that they were interested in the concept.

12. I am not clear what Mr. Kleiner is referring to when he mentions Mr. Arango saying staff didn't approve of the land swap. I usually listened to and accepted Mr. Arango's advice on planning matters.
13. I believe that the Kleiners are a few steps away from fulfilling the requirements for a street vacation and easement swap as I read RCW 35.79.035
14. On multiple occasions I have expressed an interest in seeing this project go through. I believe the Kleiners from the start have expected that to mean that requirements would be waived or some kind of joint participation with shared costs or in kind contributions would be made as a good will gesture by the city. The City cannot make gifts of public funds or benefit without an equal return. It's been challenging for me personally to follow the logic of some of the positions taken by the Kleiners in this process. This is a project of significant scope and an historic building and there are many inherent complexities in design and legal requirements that a property owner wouldn't necessarily know and this can result in confusion and misunderstanding about the process of meeting multiple requirements on the way to a building permit.
15. I apologize to the Kleiners if in any way my actions have created confusion or were misleading to them. I want to assure them there were no ulterior motives behind any of my actions. I have always had in mind to understand this project from their point of view, to facilitate the project, and to see it ultimately happen for the community.