



a passion to succeed

June 18, 2007

The Honorable Larry Gossett
Chair, King County Council
Room 1200
COURTHOUSE

Dear Councilmember Gossett:

I have reviewed the Unique Circumstances transmittal letter and supporting documents that were forwarded for Council review. I agree with the Executive's statements; however, I would like to clarify Yarrow Bay's position regarding the proposed transaction.

First, I noted that Yarrow Bay's commitment letter regarding affordable and workforce housing was not a part of the package. I want to make sure that a copy of that letter is available to Council and I am forwarding another for your reference.

Second, the transmittal letter outlined Yarrow Bay's intent to purchase 600-800 Transfer Development Rights (TDR's) from the King County TDR Bank. I want to confirm Yarrow Bay's commitment to purchase a significant number of TDR's from King County for use at the Summit Pit and other King County properties Yarrow Bay may develop. Yarrow Bay fully supports the County's conservation goals associated with the TDR program and we look forward to facilitating those goals through the bulk purchase of 600-800 development rights; we do not, however, intend to utilize 800 King County development rights at the Summit Pit site.

I hope this letter clarifies our position regarding this unique opportunity for a public/private partnership.

Sincerely,

A handwritten signature in black ink that reads 'Brian Ross'.

Brian Ross
Managing Member

June 4, 2007

Mr. Larry Gossett
King County Council Chair
516 Third Avenue, Room 1200,
Seattle, WA 98104-3272

Re: King County Exchange Unique Circumstances

Dear Councilman Gossett,

As we discussed at our meeting last week, Yarrow Bay Group is seeking approval of a proposed Unique Circumstances Ordinance that would authorize King County to negotiate directly an exchange of valuable conservation land and monetary compensation for the Roads Department's Summit Pit property. During that discussion, Yarrow Bay acknowledged the deficit of workforce and affordable housing in Southeast King County. As part of Yarrow Bay's proposed redevelopment of the Summit Pit property, we are committed to working in partnership with King County to create workforce housing, as well as affordable housing for all economic segments of the population consistent with King County goals, policies, and regulations. Our ability to provide this housing opportunity is, of course, dependent upon King County Council approving a Unique Circumstances Ordinance, an Exchange Agreement, as well as a Comprehensive Plan Amendment designating the site as Urban Residential with a density equivalent of R-8.

Yarrow Bay's commitment to provide workforce and affordable housing for all economic segments of the population at the Summit Pit is made with the understanding that King County and potentially other agencies and/or affordable housing partners will partner with Yarrow Bay to provide affordable housing by utilizing existing and new incentive programs designed to promote the creation of affordable housing. These incentives could include density bonus programs, allocation of State and County grants and loans, as well as regulatory assistance.

Yarrow Bay is impressed with King County's participation in the ULI Seattle District Council programs on workforce and affordable housing and we look forward to partnering with King County in the creation and implementation of innovative programs to provide housing to meet the needs of all economic segments of the population. Your support of the Unique Circumstances Ordinance is the first step in realizing this partnership and bringing a broad spectrum of workforce and affordable housing to the Southeast King County region.

Sincerely,



Brian Ross
Managing Partner