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September 30, 2020

Advance copy via email: bonnie@richardsonwright.com

Ms. Bonnie Richardson
805 SW Broadway
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Re: TMT Security Bill to Oregon Beverage Recycling Cooperative ("OBRC")

Dear Bonnie:

As I believe you are aware, OBRC paid the April, May and June security bill assessed by TMT under protest and with a reservation of all rights. OBRC will not pay the most recent security bill from TMT for the reasons outlined in this letter.

OBRC believes the charges are unreasonable; the lease only allows reasonable charges to be levied against OBRC. OBRC believes both the amounts of the charges and the processes and procedures followed by TMT are unreasonable. In addition, these burdensome bills in fact use the pretext of the charges for security measures as a cloak for their actual intent, which is to constructively evict OBRC.

We agree with our client and suggest that the parties meet to try and resolve these issues, or enter into mediation to try and resolve the issues without litigation.

The limitation to "reasonable charges" introduces an objective standard in the contract. The term reasonable places a limit on discretionary power or the effect of overly strict obligations. Where it limits the exercise of discretionary power, it requires that a party is able to explain its performance (or failure to perform as expected). Accordingly, we believe TMT has the burden of proof to show that its actions and charges are reasonable.

Where the term reasonable is included with the aim of reducing the 'harshness' of strict contract clause, it introduces a commonsense approach to the interpretation of what may normally be expected from a party's performance. The standard of

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'reasonableness' is one that is usually determined by reference to a well-informed third party with the same expertise acting under the same circumstances.

"Reasonableness" is meant to be vague, because what is reasonable in one case or contract or industry is not always reasonable in another. Generally, though, courts interpreting reasonableness take into account normal practices in the geographic area, in the subject industry, and between similarly situated parties.

If one party looks like they are trying to unjustly enrich themselves, ask for something that is not fair, moderate and sensible, or undermine the relationship and the contract itself, the action is most likely going to be unreasonable.

The term "reasonable" is necessarily subjective. What is considered reasonable depends on the surrounding circumstances, especially whether quick action is essential. As one court observed, "The term ['reasonableness'] embodies a concept, not a constant. It cannot be usefully defined in order to evolve some detailed formula for judging cases."

These legal standards hint at what reasonable means, but do not define it, except by reference to "good faith and fair dealing." "Good faith" is defined in the Uniform Commercial Code as "honesty in fact." So, reasonable is generally understood to be action or conduct that is guided by honesty, fairness and the facts and circumstances of the particular situation. It also means that TMT may not foster negative behaviors that undermine the relationship and the contract itself.

In that regard, it is clear that the enormously expensive security measures are a sham and that TMT is trying to constructively evict OBRC in violation of TMT's duty of good faith and fair dealing. Simply stated, "constructive eviction" is often connected with the abandonment of a premises due to a landlord's act or failure to act that substantially interferes with or permanently deprives a tenant from using its leased premises. It is also used with respect to actions by a landlord which appear intended to drive out a tenant. In this case the unreasonable security measures are a landlord's actions, in breach of the lease, these actions are egregious, violate TMT's duties and obligations, and have a significant effect on a OBRC' s ability to use and enjoy its premises.

Since these pretextual charges are a breach of the lease terms of good faith and fair dealing, and the true issue is the breach of the lease by TMT, the purported Dispute Limitations of Section 5.4 are not applicable to this matter. Section 5.4 only applies to a charge that is for a legitimate good faith purpose, not to a charge that is being used by TMT to force a legal tenant to leave the premises. A landlord cannot do something indirectly that they are not permitted to do directly.

OBRC 000749

In this case OBRC is entitled to have quiet enjoyment and possession of the premises during the continuation of its term, and the unreasonable conduct of TMT is specifically intended to force OBRC to leave – something that TMT has previously attempted.

TMT's actions constitute substantial interferences with the OBRC's possession of the premises and both renders the premises unfit for the purpose for which OBRC entered into the lease and deprives OBRC of the beneficial enjoyment of the property. TMT's harassment culminated in its wrongful declaration of default earlier this year and since that time TMT has expanded and enlarged its unreasonable demands, threats, and insults, which courts have held can form the basis for a constructive eviction claim.

TMT's hostility and attempt to evict OBRC have continued for years. That hostility led to the 2017 unsuccessful lawsuit by TMT to evict OBRC and continues in connection with the current attempted constructive eviction.

The hostility and other indications show that TMT is actually using the unreasonable armed security charges merely as a pretext for the real intent: constructive eviction. This is demonstrated in numerous written and oral communications.

By way of example, the email from Vanessa Sturgeon of TMT sent Friday, March 27, 2020 2:29 PM demanding armed security contains several inaccurate and misleading statements (emphasized below):

Unfortunately, this situation is beyond the pale in terms of the other types of impacts we are seeing with Covid. It is creating a dangerous situation for the entirety of the shopping center.

We suggest that you immediate deploy armed security to manage this situation (we have a team but your store needs its own team as some of your customers are armed). If you need a referral please let us know. We would also suggest that you employ your own cleaning team.

In the meantime, we are exploring legal remedies to shut down this store. This situation has become combustible, it is only a matter of time before someone is hurt or killed here.

Additional evidence is contained in an email sent by Henry Hornecker with TMT, Tuesday, July 7, 2020 3:14 PM which includes the following inaccurate and misleading statement:

"The crowds specific to Bottle Drop were a consequence of OLCC's closure of various retail redemption centers further compounded by OBRC's decision to continue operating at this location despite its lack of capacity to do so."

OBRC 000750

In fact, our client, had, and still has, the capacity to operate in accord with the law, and the lease. In response to TMT's unreasonable bad faith demands, our client proposed numerous reasonable alternatives but TMT refused to even discuss them.

TMT has unilaterally instituted security measures that are clearly unreasonable and are actually intended to force OBRC to vacate the premises.

The following is an outline of the issues that we believe exist.

First, we read the Governor's Executive Orders to apply to TMT as an entity in control of indoor and outdoor space. Accordingly, TMT has an affirmative duty to reasonably set and enforce its own rules for social distancing. Because TMT is bound by the Governor's Executive Orders, TMT also cannot interfere with a tenant's reasonable efforts to comply with the social distancing requirements of the Governor's Executive Orders. We point out that TMT's actions are further required to not be discriminatory or target a vulnerable population either intentionally or in effect.

Second, it is our understanding that TMT hired its own armed guards and then also required OBRC to hire an armed guard. Subsequently and without discussion with OBRC, TMT billed OBRC. We do not believe that armed guards are reasonable, and in fact they are counterproductive. It is our understanding that TMT specifically asked OBRC to pay for one armed security person. OBRC reluctantly agreed and has been paying that cost. That cost is apparently not included in the bill sent by TMT, but it is the only amount that was discussed. Without notice, TMT began sending exorbitant bills to OBRC for unneeded security services.

OBRC does not use armed guards at any of its other locations, some of which have similar customer profiles to the location owned by TMT. Unarmed security officers can be less threatening to visitors and become more of an ambassador for the property while still offering a proactive security solution. An unarmed security guard can still provide a similar level of deterrence as an armed guard, but it avoids the escalatory effect of an "intimidation" factor that results from armed guards.

If the purpose, or the result, of using armed guards is to intimidate the patrons of OBRC it is prima facie unreasonable and shows that the actual intent of TMT is to dispossess OBRC from its lawful tenancy

The goal of using unarmed guards is deterrence and apprehension. The unarmed guards remove the risk of extreme force but provide substantially the same level of services. They can observe and report issues to local law enforcement and property managers as necessary. An unarmed guard is a friendlier and more approachable authority figure that can provide assistance and protection of patrons as well as security of property.

OBRC 000751

By having an unarmed authority figure on-site, it's possible to deter illicit or unwanted activities without unnecessary risk, intimidation, or liability. Settings that are almost always handled by unarmed security guards include shopping plazas, malls, department stores, and public plazas. In general, it is much more common for businesses to have unarmed guards than armed guards. In addition, public sentiment against armed guards has increased dramatically in the past months.

Accordingly, TMT's insistence on armed guards is unreasonable both in terms of a response to issues and in light of the vastly increased cost of armed guards. OBRC asserts that all of the guards should be unarmed.

Third, OBRC believes all reasonably needed security guards required to be there solely for OBRC operations should be directly paid for and controlled by OBRC without interference from TMT security. It is our understanding that there have been several instances of conflict between TMT's Cornerstone security guards and OBRC.

Examples include, but are not limited to:

-- April 30, 2020 line confusion - Cornerstone lets people in who weren't following line protocol resulting in conflict and confusion.

-- May 5, 2020, when Cornerstone rushed into the OBRC facility and demanded they open the bathroom. It is our understanding that this involved very aggressive behavior. OBRC has an email chain about this incident and how Cornerstone's actions were not appropriate.

-- May 18, 2020 Cornerstone overriding BottleDrop policies - lines and maintaining. Told customers to see if they could get in and had a rush at the door. Cornerstone ends up shoving customer and twists arm of another customer.

OBRC believes that Cornerstone's antagonism and use of unwarranted force are problematic and unreasonable, and actually intended to discomfit, annoy and interfere with OBRC's operations. OBRC further believes that coordinated security is more reasonable than the current use of two different companies. OBRC believes all reasonably needed security guards should be directly selected, paid for and controlled by OBRC.

Finally, OBRC believes that all of TMT's actions outlined in this letter are contrary to the lease, that the processes and procedures followed by TMT in separating the lines and requiring marches across the parking lot are not reasonable and in fact are intended to intimidate both OBRC's patrons and OBRC staff.

Attached to this email are three videos of incidents that were recorded that demonstrate that Cornerstone's officers are using excessive force and interfering with OBRC's lawful use of the premises.

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On its face TMT's policy appears to interfere with reasonable solutions to social distancing problems by targeting OBRC in order to force OBRC to move.

The problems at Delta Park are not unique. The majority of shopping centers in Oregon and throughout the country have adopted procedures to deal with social distancing requirements. They have not resorted to armed guards, and forced marches across the parking lot for the patrons of their tenants. In the majority of cases the shopping center management has encouraged and allowed the use of common area for use of the lines. We believe the procedures enacted by TMT are unreasonable and intended to be both intimidating and burdensome to OBRC's patrons.

We have all seen numerous photographs that evidence the fact that well before masks were required ordered lines were found to be reasonable, and often exceeded the length of the store front of a tenant and went on to sidewalks of other businesses, and even into parking structures for example. The use of chalk and tape, signage and distance markers to delineate social distancing points has been almost universally adopted as acceptable in shopping plazas acting under the same circumstances. TMT's adamant refusal to adopt reasonable policies indicates that their actions are not a legitimate, nondiscriminatory reasonable policy, but a pretext for pressuring OBRC to leave its premise.

TMT made the demands that OBRC change its operational practices in a way that is detrimental to OBRC customers and costly for OBRC. Because there was no immediate safety issue and out of concern for its customers, OBRC declined to follow that operational demand, but instead offered alternative ideas to alleviate any genuine safety issues and the unsightliness with which TMT was concerned.

Rather than accept any of these reasonable suggestions, TMT made an operational decision for OBRC and forced customers to line up across the parking lot in a place that is inconvenient for customers and is costly to manage. TMT is now billing OBRC for the cost of that management through expensive, armed security. TMT should not have the ability to make de facto operational decisions for OBRC, and to execute those decisions in a manner that is not cost effective.

By way of example, it is our understanding that OBRC suggested that the line be snaked around behind the Recycling Center and the empty space beside the Recycling Center so that the line would not be in the parking lot, or require walking across the parking lot. This also would allow fewer security guards to manage the line while hiding the majority of the line from view from the parking lot and other tenants. It is our understanding that TMT refused. Given the facts and circumstances we do not believe TMT's refusal to that proposal was reasonable and TMT intended to deprive OBRC of the use and enjoyment of the leased premises. As you are aware, the evidence of this intent need not always be overt and direct. Courts have held that the requisite intent

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may be inferred from the character of the landlord's acts if their natural and probable consequences are such as to deprive the tenant of the use and enjoyment of the leased premises.

In summary, OBRC is refusing to pay the most current bill for security for all of the above reasons.

We look forward to resolving these issues.

Yours truly,



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OBRC 000754

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December 31, 2020

Advance copy via email: bonnie@richardsonwright.com

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Re: Issues related to Delta Park Redemption Center

Dear Bonnie:

We have reviewed your letter of October 22, 2020. We appreciate that your letter ends with a request for proposals that Oregon Beverage Recycling Cooperative ("OBRC") may have.

You are undoubtedly aware that tension has escalated again between our clients. It is our understanding that on or about Tuesday December 22, 2020 TMT changed its policies in handling the overflow line queuing at Hayden Meadows Drive.

On or about that date Cornerstone told OBRC guards and staff that it was OBRC's responsibility to handle the line and began taking pictures of the line forming towards Lowe's. As you know, OBRC has no duty to enforce what it believes to be an inhumane unreasonable policy with respect to its customers.

No one from TMT had reached out to OBRC with any notice of the changes and this caused confusion onsite. On Tuesday morning, Stephanie Marcus of OBRC was notified by OBRC's Loss Prevention Manager about the confusion and questions on changes with line queuing.

As could be easily foreseen, without Cornerstone managing the line along the street, OBRC customers lined up along the sidewalk area and towards the Lowe's.

Stephanie reached out to TMT Property Manager, Marc via email and the exchange printed on the attached EMAIL EXHIBIT occurred over the next few days.

It is our understanding that the actions of Cornerstone differ from what TMT is telling OBRC.

For example, on December 23, 2020 Jeremy Grahn, Corporate Manager of Loss Prevention for OBRC/BottleDrop, received a call from Kenny Kaster, Area Loss Prevention Supervisor at 11:45AM. Kaster told Mr. Grahn he was on his way to the Delta Park Redemption Center (RC) because of an incident involving a customer and Cornerstone Security which was reported to him by OBRC Security Guard Damian Schexnayder.

Damian reported that a female customer attempted to enter the RC and was stopped by Cornerstone Security because she was trespassed from the property. Damian reported that the female became verbally aggressive and pushed her way past the Cornerstone Officers to get into the building.

Damian then said a female RC staff member also told the female that she couldn't be there because she had been excluded by BottleDrop also.

The female reportedly used more foul and aggressive language (it was not reported what she said) and allegedly spit at one of the Cornerstone Officers, at which point they took her to the ground and detained her.

The Cornerstone Officers directed Damian to call 911, which he did. Damian also told Kaster that Portland Police had requested a supervisor present; at the time, it was not clear if they were requesting a supervisor from Cornerstone or OBRC.

Kaster called Grahn back at 12:17PM and informed Grahn that Kaster arrived at the RC while police were still on the scene. Kaster interacted with a Portland Police Officer who clarified that they wanted to speak with a Cornerstone supervisor, not someone from BottleDrop.

Kaster inquired as to why that was, and was told by the Officer that they (Portland Police) have had several incidents with Cornerstone Security where Cornerstone had unnecessarily escalated the situation.

The Portland Police Officer said Cornerstone will often be escorting someone to the edge of the Delta Park complex and will react when that person says something to incite them.

Per the Officer, Cornerstone will react aggressively and then call Portland Police resolve the situation they helped to create.

Apparently either Portland Police and/or its Officers have called the Department of Public Safety Standards and Training (DPSST) on Cornerstone's behavior and practices more than once. The Officer then said Portland Police have begun asking for a Cornerstone supervisor any time apparent excess use of force is used so they can explain and justify why that level of force was used.

On December 29, 2020 the OBRC Guard on shift at Delta Park also reported there were issues with the line. Cornerstone was again not managing the line on Hayden Meadows which was causing long disruptions and unhappy customers when they finally got to the OBRC building.

Cornerstone's actions in neglecting TMT's imposed rule about the line went on much of the day, and became very disruptive when OBRC got busier late morning. The Guard said Cornerstone will show up at Hayden Meadows to send some people to the RC, then leave and show back up later at either Hayden Meadows or near the RC. It appears that today TMT did not have a person effectively controlling line management that TMT implemented against the express request of OBRC. As noted above, OBRC has no duty to enforce what it believes to be an inhumane unreasonable policy with respect to its customers. OBRC guards need to stay in front of the building in our designated area.

First, I would like to talk with you and have a telephone discussion. There were several emails after my letter dated September 30, 2020 that indicated that such a discussion might happen, but it did not take place. I believe it could be beneficial for the two of us to explore some proposals, including, but not limited to, non-binding mediation.

Second, given the current back up in the courts, we suggest that if mediation does not resolve these matters the parties arrange for arbitration.

As I believe you are aware, OBRC paid the first bill from TMT for dedicated armed security guards under protest. Since that time OBRC has not paid any of those bills and OBRC has advised TMT that OBRC will not be paying any more towards the security bills until and unless these matters are resolved. That includes, but is not limited to, the most recent security bill.

In addition, we believe you are aware that OBRC released the armed guard, which it hired only because of TMT's insistence on having one, effective December 1, 2020. OBRC will still have at least one unarmed guard on-site during all business hours and at peak times, OBRC may have two unarmed guards on-site.

The most recent billing from TMT to OBRC includes one 24/7 guard, and 2 guards from 8 am to 6 pm and demands payment of \$49,200.00 for that month. In contrast, the 2 unarmed security guards that OBRC has cost less than \$10,000.00 per month.

As you are aware, OBRC is not just concerned about the great expense of numerous armed guards, but is disturbed by the fact that the armed guards presently on site cause matters to escalate as they interact with those who use OBRC's facilities.

As indicated in the videos we sent you with the September 30, 2020 letter, the interventions appear to immediately use excessive force and rather than resolving issues this use of force intensifies conflicts. Even highly trained police officers often overreact as has been repeatedly demonstrated in the prolonged protests in Portland.

This is supported by the above reported incident of excessive force on December 23, 2020 and the information from the Police Officer that the Department of Public Safety Standards and Training (DPSST) has been called by them on Cornerstone's behavior and practices more than once.

There is considerable evidence that the presence of a firearm also may escalate a situation. Studies show that the likelihood of a violent event occurring during an incident increases greatly when an armed guard is present. (See e.g. Duncan, B. "Five Ways the Armed Guard Industry Is out of Control." Revealnews.org, posted May 4, 2015. <https://www.revealnews.org/article/heres-whats-wrong-with-the-us-armed-security-industry/>) The risk of having a gun taken from an armed security guard is also quite high. Twenty-three percent of shootings in emergency rooms involve someone taking a gun from a security guard, according to The New York Times, which cited a study by Gabor Kelen, MD, director of emergency medicine at Johns Hopkins Medical School.

Simply giving a security officer a firearm and putting him or her out there is a recipe for disaster. It also appears as if some of the current security officers are attempting to provoke a response rather than resolve incidents.

Defusing tension and conflict is critical to avoid violence. It is critical that force be the absolute last resort, and that does not seem to be the case at this time. Resolving conflict through verbal and non-verbal communication is an approach that has proven effective in managing threats and reducing the threat of violence.

OBRC disputes the need for armed officers at all, disagrees with the policies and procedures that TMT has implemented, as well as the performance of the current guards.

The treatment of the OBRC customers by TMT and its agents has also received the attention of concerned citizens. Sam Adams has reached out to OBRC to express his concern for the people who are being forced to wait on the public sidewalk to return bottles and cans at Delta Park and offered to assist OBRC in working to resolve this treatment which Sam Adams labels as inhumane.

OBRC does not believe, and has never believed, that using armed security to force people to line up on the public sidewalk, over 450 feet away from the entrance to the

BottleDrop and across a busy parking lot, is a humane and logistically workable solution.

Even with better weather, it makes social distancing nearly impossible, and requires OBRC customers, many of whom are disabled or elderly, to carry heavy bags across the parking lot.

OBRC has received numerous complaints from customers. OBRC also expressed these concerns to TMT before they implemented this process and told them it would make the situation worse, which it has.

OBRC has several other busy centers, including those OBRC leases at 122nd and Glisan and its Milwaukie locations, where the landlords have not insisted on undermining the efforts to accommodate the special conditions of the pandemic. At those locations OBRC is able to offer amenities to waiting customers including port-a-potties, wash stations, and limited shelter.

These are important for many OBRC customers who have no choice but to wait given the challenges of retail closure and COVID demand. OBRC used to offer some amenities at the Delta Park location, but OBRC is no longer able to do so because people aren't allowed to line up next to the facility because of TMT's unreasonable actions.

If OBRC customers were allowed to line up at its facility and into the unused grass area adjacent to its leased area, as they have done for years, OBRC would be able to offer them much more during this difficult time. OBRC has repeatedly advocated for winding the line around behind the RC and TMT has unreasonably refused. If OBRC could use the area behind its RC then most issues related to alleged unsightliness of waiting persons would be resolved and control of the line would be greatly enhanced.

We agree with Sam Adams that this current situation is inhumane. As we have advised you before, we read the Governor's Executive Orders to apply to TMT as an entity in control of indoor and outdoor space. Accordingly, TMT has an affirmative duty to reasonably enforce the rules and practices contained in those orders. Because TMT is bound by the Governor's Executive Orders TMT also cannot interfere with a tenant's reasonable efforts to comply with the social distancing requirements of the Governor's Executive Orders. We point out that TMT's actions are further required to not be discriminatory or target a vulnerable population either intentionally or in effect.

In its further efforts to resolve issues, OBRC is working with Trash for Peace to have additional redemption options in Portland. OBRC just funded a project to double their capacity for 8 weeks to get through retail redemption closure.

It is our understanding that Trash for Peace provides bulk container return service by the Steel Bridge and in the Central Eastside, which prevents many people from having to come to Delta Park in the first place.

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We look forward to a non-judicial alternative to resolving these issues.

Yours truly,



DOUGLAS R. GRIM

DRG:seb

c. John Andersen
Troy Ballew
Jules Bailey
Stephanie Marcus



March 2, 2021

VIA EMAIL AND FIRST-CLASS MAIL

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Re: Oregon Beverage Recycling Cooperative: Delta Park Redemption Center

Dear Doug:

I am in receipt of your letter dated December 31, 2020. Due to the serious nature of several allegations set forth in your letter, it required some time to investigate. Although I appreciate your response to my October letter and prior email seeking continued discussion, I would respectfully request that you cease the use of unnecessary and unjustified inflammatory language throughout your letters. As has been the case since the outset of the COVID-19 pandemic, TMT Development and Hayden Meadows have sought solutions that prioritize both the safety of visitors to the center and Oregon Beverage Recycling Cooperative's ("OBRC") continued ability to operate its Delta Park location. Your continued description of asking people to stand in a line as "inhumane" and allegations of excessive force are wholly without merit.

The pandemic has resulted in many creative, imperfect solutions, which involve queuing people in lines to minimize the number of persons in a retail location and prevent the risk of spreading the novel coronavirus. For the last approximately nine months the queuing of Bottle Drop visitors in the right of way has provided for continued operation of your client's Delta Park location with limited impact on the surrounding businesses and maintained proper social distancing measures while also managing the significant crowds that gather daily to use the Bottle Drop. As with many businesses during the pandemic, it may not be exactly how your client wishes to operate, but it has been effective to manage risk given the circumstances.

I will not spend the time to walk through all your allegations regarding the recent events at the Bottle Drop, as we clearly have many disagreements regarding the characterization of what has transpired and the effectiveness of Cornerstone Security in managing the area. However, I must address your unsupported allegations regarding an unnamed Portland Police Bureau ("Portland Police") officer providing comments about Cornerstone Security's conduct. We have found no evidence to support these claims. Your letter went so far as to claim that the Portland Police had reported Cornerstone Security to the Department of Public Safety Standards & Training ("DPSST") on multiple occasions. If that were the case, DPSST would be required to open an investigation and would thereafter notify both the security

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guard and Cornerstone Security as his or her employer. Additionally, Portland Police would be required to fill out an incident report. Neither the Portland Police or DPSST have any records to corroborate your serious claims.

If you have any actual evidence of these alleged incidents beyond hearsay and conjecture by unidentifiable persons, I ask that you please provide it immediately and Hayden Meadows/TMT Development will investigate accordingly.

Hayden Meadows and TMT Development have always been and continue to be open to reasonable alternative solutions. However, to date, OBRC has only proposed a single option focused solely on OBRC's convenience—allowing its customers to congregate in the area outside of the Bottle Drop. This proposal amounts to a “business as usual” approach which was shown to be unsustainable and fraught with unreasonable risk when OBRC attempted to operate the Delta Park Bottle Drop location in such a way for during the first two months of the pandemic. Each day, large, unmanaged crowds continually gathered outside of Bottle Drop, causing consistent disruptions to neighboring businesses, generating significant amounts of trash and debris (including dangerous objects), and presenting significant risk of the spread of the novel coronavirus.

In response, OBRC was presented with multiple options that could address the risks it was creating by continued operation of the Delta Park Bottle Drop, including hiring additional security to queue its overflow customer line in the right of way (as Cornerstone Security has successfully done for approximately nine months) and/or implementing an appointment-based system. OBRC flatly rejected both options. Now, after choosing to do nothing to address the risks OBRC created, OBRC objects to paying the costs associated with the Cornerstone Security guards that have effectively managed their lines and aided in their smooth operation for the last nine months.

THE CURRENT LINE QUEUING SYSTEM

As you are aware, Hayden Meadows and TMT Development suggested back in April 2020 that OBRC queue an overflow line of customers in the public right of way and not allow congregation in the common areas next to other businesses.¹ OBRC's inability to manage the influx of customers and continued decision to operate created significant risks that needed to be addressed. Queuing the line in the right of way presented a reasonable compromise that reduced risk while also allowing OBRC to continue to provide redemption services at the Delta Park location.

After OBRC refused to take any action to modify its line management procedures to address its significant impact on other businesses and the safety of its customers, Hayden Meadows was forced to step in. Hayden Meadows hired additional security from Cornerstone Security specifically to manage social distancing measures and risks related to Bottle Drop and ensure that when the number of customers became too many for Bottle Drop to manage, an additional line would be formed in the public right of

¹ Also, in April 2020, TMT Development and Hayden Meadows suggested that OBRC institute an appointment-based system that could provide significant reduction in the size of crowds gathering outside of the Bottle Drop. This could have been done through a combination of online or kiosk check-ins that would allow people to have prearranged time windows to show up and use the redemption center. Rather than show up and wait in line for 1-2 hours, people could check in online or grab a ticket at the kiosk and then return (or arrive) at a predetermined check-in time. This type of system could have been in place for the last nine months, allowing for customers to get used to the new process, but instead OBRC refused this proposal without any substantive explanation, simply stating it was “unworkable.”



Douglas Grim
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way where proper social distancing could be maintained without imposing on other businesses and driving up the risks related to visitors coming to the center.

Once the line outside of the Bottle Drop storefront diminishes, people from the overflow line are directed to fill in those spaces in the line that forms in front of the storefront. There is one guard posted at the overflow line and another that has managed the storefront area. This system has worked with success since it was first implemented in May 2020. This is the exact same line queuing procedure that Hayden Meadows had suggested to OBRC as a method to reduce risk and continue its operations.

OBRC had the opportunity back in April 2020 to implement this system on its own and cover the cost directly, but refused to do so. To date, OBRC and its Bottle Drop employees have been continually resistant to this system, providing no oversight or management, while reaping the benefits through the continued use of Cornerstone Security to manage both the line and dangerous incidents that arise due to the increased clientele. In fact, your recent letter included complaints when the number of Cornerstone Security officers was reduced, asserting that it had negative impacts on line management.

UNARMED SECURITY

Your recent communication spends a significant amount of time promoting the use of unarmed security to manage the crowds of Bottle Drop customers. Unfortunately, the area is considered high risk and the use of unarmed security has been rejected by Cornerstone Security. In the time that Cornerstone Security has been involved in providing protective services to the area surrounding the Delta Park Bottle Drop they have been subject to assault, threats of harm from improvised weapons, use of infected needles during an attack, and even had one officer rammed with a car causing significant injury and three months to recover. Due to the significant risk of harm to the officers in and around the Delta Park Bottle Drop, the proposed use of unarmed security has been rejected.

This is not to say that Hayden Meadows and TMT Development would not be open to OBRC seeking out and hiring unarmed security at its own expense to take over and manage the current line queuing process so long as it did not result in increased occurrences of violence and major incidents.

DISCUSSION

TMT Development and Hayden Meadows has continually pushed for the consideration of creative, alternative solutions to the risks caused by OBRC's continued operation. Unfortunately, most of these solutions require OBRC to be an equal or primary participant in the process. Given OBRC's prior rejection of all of Hayden Meadows' proposals, the current line queuing process was implemented. OBRC has benefited from the onsite security presence, often asking Cornerstone to step in and manage unruly customers or de-escalate various situations. It is unfortunate that OBRC continues to reap the benefits of the security while refusing to pay for the services that have been required by its inability to manage its customers in a safe and effective way.

I wholeheartedly agree that we should have a conversation and seek to explore meaningful proposals that address the concerns of both Hayden Meadows and OBRC while maintaining the safety and security of the area during the pandemic. In fact, that was my intent back in October when I reached out to you. Mediation may be a good route moving forward.



Douglas Grim
March 2, 2021
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Please feel free to send an email at the address below with your availability or just try to give me a call when you have an opportunity. I can be reached at 503-227-2022.

Sincerely,

RICHARDSON WRIGHT LLP



Bonnie Richardson
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