



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 4055

DATE FILMED 3-7-85 CAMERA NO. 2

CAMERAMAN J.M.H.

25043630938

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
SEP 9 10 56 AM '94
SEP 9 12 04 PM '94
MUR 4055

September 6, 1994

Federal Election Commission
Office of General Counsel
Washington, D.C. 20463

Dear Counsel:

Please see the attached Affidavit and Exhibits.

As a concerned citizen and supporter of the democratic election system I am requesting that you investigate a possible election rules infraction.

I am a merchant in the Northtown Shopping Mall in Spokane, Washington, of which David Sabey owns. Mr. Sabey is a strong democrat and very active in the Washington State Democratic Party. He has elected to rent space to Rep. Tom Foley for much less than the normal rent. I have been told by your people at the Federal Election Commission, that this is considered by the rules as an illegal political contribution.

Attached is a statement from Mr. Foley's itemized disbursements stating that they pay one thousand dollars (\$1,000.00) for a space that would normally rent for not less than five thousand dollars (\$5,000.00). Attached also is the billing that we pay for a less desirable space with fewer square feet to substantiate my claims.

I am making this claim, not for my political convictions, but for the fact that there has been a great controversy over Northtown being pro-Foley and that has an adverse affect on a great number of our patrons. I don't feel that an independent shop keeper in a complex should be subjected to this. We don't want to be associated with a political stand just because the owners of the property want to make a political statement, for who knows what reason. There are a number of merchants who have expressed a concern on this matter. Because the opposing party wants to have access to Mr. Foley's office, there have been a number of demonstrations and quite a bit of negative press.

This last issue is not necessarily an issue for you, but the issue of illegal political contribution is. Your office told me that a corporation cannot make a contribution and any individual cannot give more than one thousand dollars (\$1,000.00). They also

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told me that a reduced rent rate would be considered as a political contribution.

Thank you for your attention on this matter.

Ted Bare

A handwritten signature in black ink that reads "TED BARE". The signature is stylized with a long, sweeping horizontal line extending from the end of the name.

Pickle Barrel
North 4750 Division
Suite 102
Spokane, Washington 99207

25043630940

A F F I D A V I T

STATE OF WASHINGTON)
) ss.
County of Spokane)

COMES NOW Ted Bare, being first duly sworn upon oath and states as follows:

1. I am over the age of 21 and competent to testify herein.
2. I am a merchant in the Northtown Shopping Mall in Spokane, Washington, the owner of which is Sabey Corporation.
3. I believe David Sabey is the President of Sabey Corporation.
4. Mr. David Sabey is a strong Democrat and active in the Washington State Democratic Party.
5. Sabey Corporation has rented space to Representative Tom Foley for much less than the normal rent.
6. Attached is a statement from Mr. Foley's itemized disbursements stating that this campaign pays \$1,000.00 per month for space.
7. See attached Floor Plan Exhibit which highlights the space the Foley campaign has leased.
8. The attached Floor Plan Exhibit also shows my space.
9. Attached rent checks to Sabey Corporation show the amount of rent and common area maintenance charges I pay for a smaller space. It exceeds \$6,475.00 per month.
10. The Foley space should rent for significantly more than our space.

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11. I believe a political contribution that exceeds \$5,000.00 per month is being made by the Sabey Corporation to the Foley campaign.



Ted Bare

SIGNED AND SWORN to before me this 6th day of September, 1994.



Print Name: Shari Whitney
NOTARY PUBLIC in and for the State
of Washington, residing at Spokane
My appointment expires: 06/30/98

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SCHEDULE B
PERMITTED DISBURSEMENTS

 Page 10 of 12
 Line 17

COMMITTEE TO RE-ELECT TOM FOLEY

Any information copied from such Reports or Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Full Name, Address & Zip Code	Purpose of Disbursement	Date	Amount
Perkins Cole 607 14th Street, N.W. Washington, D.C. 20005	legal services	6/9/94	\$05.38

Election: primary

Full Name, Address & Zip Code	Purpose of Disbursement	Date	Amount
Perkins Cole 607 14th Street, N.W. Washington, D.C. 20005	legal services	6/6/94	\$10.14

Election: primary

Full Name, Address & Zip Code	Purpose of Disbursement	Date	Amount
Perkins Cole 607 14th Street, N.W. Washington, D.C. 20005	legal services	6/30/94	\$07.05

Election: primary

Full Name, Address & Zip Code	Purpose of Disbursement	Date	Amount
Schey Corporation 181 Elliott Avenue West Seattle, WA 98119	campaign office rental	6/27/94	\$1000.00

Election: primary

Full Name, Address & Zip Code	Purpose of Disbursement	Date	Amount
Soft Drink PAC 1801 16th Street, N.W. Washington, D.C. 20036	IN-KIND CONTRIBUTION (catering expense)	6/13/94	\$16.30

Election: primary

Full Name, Address & Zip Code	Purpose of Disbursement	Date	Amount
Cookane County Auditor 2118 Broadway Cooke, WA 99260	voter registration list expense	4/14/94	\$0.00

Election: primary

SUBTOTAL			\$,928.87
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SEARS
TOTAL SA. FOOTAGE: 100,480 SF.

FOCUS SPACE
OUR SPACE

the doctor's advice to discard the child for an ill-fated experiment in surgery and the laboratory was an impediment to our quest for truth in the medical field.

WILLIAM
HARRIS

INTEREST FROM
TOTAL SA PORTFOLIO \$9,000

MAIN LEVEL LEASING PLAN

25043630944

A-1

KEY PLAN

NOBLET & ASSOCIATES
INCORPORATED
10000 W. 10TH AVE.
DENVER, CO 80231

1. **NAME**
 2. **DATE**
 3. **TIME**

1

100

A-1

PICKLE BARREL
4750 N. DIVISION ST. SUITE 102
SPOKANE, WASHINGTON 99207-1432

8002

Other charges are in Question.

PAY TO THE ORDER OF First Interstate

July 1 1994 28/1250

Two thousand seven hundred twenty eight + 33/100 \$ 2,728.33 DOLLARS

First Interstate Bank
of Washington, N.A.
North Spokane Branch 071
P.O. Box 18890
Spokane, WA 99208

FOR 25700 38400 141400 1887 1970

Page One

PICKLE BARREL
4750 N. DIVISION ST. SUITE 102
SPOKANE, WASHINGTON 99207-1432

8001

PAY TO THE ORDER OF First Interstate

July 1 1994 28/1250

Two thousand seven hundred eighty + 75/100 \$ 2,746.75 DOLLARS

First Interstate Bank
of Washington, N.A.
North Spokane Branch 071
P.O. Box 18890
Spokane, WA 99208

FOR but after space of 105

Page One

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

SEPTEMBER 15, 1994

Ted Bare
c/o Pickle Barrel
North 4750 Division, Suite 102
Spokane, WA 99207

RE: MUR 4055

Dear Mr. Bare:

This letter acknowledges receipt on September 9, 1994, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"). The respondent(s) will be notified of this complaint within five days.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 4055. Please refer to this number in all future communications. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosure
Procedures

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FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20461

SEPTEMBER 15, 1994

James W. Stubner, Jr. Registered Agent
Sabey Corporation
101 Elliott Avenue West #330
Seattle, WA 98119

RE: MUR 4055

Dear Mr. Stubner:

The Federal Election Commission received a complaint which indicates that David Sabey and the Sabey Corporation may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4055. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against David Sabey and the Sabey Corporation in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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James W. Stubner, Jr. Registered Agent
Sabey Corporation
Page 2

If you have any questions, please contact Joan McEnery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

25043630948



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SEPTEMBER 15, 1994

Leona W. Dexter, Treasurer
Committee to Re-Elect Tom Foley
610 West 1st Avenue #2-W
Spokane, WA 99204

RE: MUR 4055

Dear Ms. Dexter:

The Federal Election Commission received a complaint which indicates that the Committee to Re-Elect Tom Foley ("Committee") and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4055. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against the Committee and you, as treasurer, in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

25043630949

Leona W. Dexter, Treasurer
Committee to Re-Elect Tom Foley
Page 2

If you have any questions, please contact Joan McEnery at
(202) 219-3400. For your information, we have enclosed a brief
description of the Commission's procedures for handling
complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

25043630950



FEDERAL ELECTION COMMISSION

WASHINGTON DC 20463

SEPTEMBER 15, 1994

Representative Thomas S. Foley
House of Representatives
1201 Longworth HOB
Washington, DC 20515-4705

RE: MUR 4055

Dear Mr. Foley:

The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4055. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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Representative Thomas S. Foley
Page 2

If you have any questions, please contact Joan McEnery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

SEPTEMBER 15, 1994

Representative Thomas S. Foley
W 726 6th Avenue #301
Spokane, WA 99204

RE: MUR 4055

Dear Mr. Foley:

The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4055. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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Representative Thomas S. Foley
Page 2

If you have any questions, please contact Joan McEnery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

25043630254

THE COMMITTEE TO RE-ELECT

Tom Foley

U.S. CONGRESS 5TH DISTRICT DEMOCRAT

BOX 2121, SPOKANE, WASHINGTON 99210-2121
(509) 489-8977 - Phone / (509) 489-8978 - FAX

FINANCE COMMITTEE

Scott B. Lukins, General Chairman

Anthony H. Anderson
Susan Aene
Dennis L. Ashlock
Donald K. Barber
Shel Barnard
Paul Bastine
Clay Beck
Douglas J. Blasich
James E. Cademhead
Chris Carlson
Mary Christensen
Mark Clark
David N. Cohen
Charlotte Coker
Charlene Cooney
Mac Crow
Joe Custer
Claudine Davis
Mike DeCesare
John F. Driscoll
Leo J. Driscoll
Betty Drumheller
Marilyn Drummond
Marshall Drummond
Lamy Erickson
Richard C. Felman
Frank Forest
Joan Gagliardi
Mike C. Geraghty
James J. Gillespie
Earl J. Gilman
Thomas E. Gilpatrick
Pheps Gove
Margaret K. Harrington
Robert Henderson
Curtis Higgins
H. Henry Higgins
Jack Higgins
C. Eugene Huppin
Sam Huppin
Fred Knechtel
Harry Lathed
John H. Lerner
Beverly J. Lunde
Frank J. Lund
Mark Malt
Bruce McPhaden
Edwin J. McWilliams
Ray Michalovich
Ric E. Osgood
Michael C. Ormsby
Thomas B. Paine
Richard Phelan
Bridget Piper
Jeanne N. Roror
Shirley Recto
G. David Robinson
Scott B. Rohrer
F. Wallace Rothrock
Karen Savar
Art C. Sontgerath
Vol J. Statter
Kathleen M. Tan
Jim Thompson
Linda D. Tompkins
Bruce M. Wake
Patricia C. Williams

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COMMISSION
ADMINISTRATIVE DIVISION

OCT 3 9 21 AM '94

CAMPAIGN HEADQUARTERS
181 NorthTown Mall, Spokane, WA 99207

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FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL

3
OCT 4 7 AM '94

September 29, 1994

Joan McEnery
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

**Re: MUR 4055 - Committee to Re-Elect Tom Foley, Leona W. Dexter,
As Treasurer**

Dear Ms. McEnery:

This is in response to the Federal Election Commission's letter dated September 1, 1994, transmitted to the above-referenced Committee a copy of a complaint filed by Ted Bare. The Committee received the complaint on September 20, 1994, the date of the Washington State primary election.

We have retained as counsel for this matter the following firm and attorneys:

Robert F. Bauer
Judith L. Corley
Perkins Coie
607 Fourteenth St., N.W. Washington, D.C. 20005

202/268-6600

We would also like to request an extension of time of 20 days to submit a response to the complaint. This will allow the committee adequate time to gather the records and other information necessary to prepare the response. Because of the press of the election activities, and the need to consult with our counsel in Washington, D.C., the extension of time will be of great assistance.

September 29, 1994
Page 2

With the extension of time, the response would be due on Monday, October 24, 1994. If possible, the response would be submitted before then. If you have any questions, please contact one of the above attorneys.

Very truly yours,



Leona W. Dexter
Treasurer

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SABEY
CORPORATIONRECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

OCT 4 2 08 PM '94

October 3, 1994

BY FACSIMILE

Ms. Joan McEnery
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

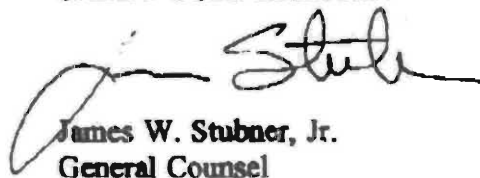
Re: MUR 4055

Dear Ms. McEnery:

Sabey Corporation is in receipt of your September 15, 1994 Notice of Complaint, which was received by Sabey Corporation on September 20, 1994. Sabey Corporation requests an extension of time of two weeks to submit a response to the Complaint. This will allow us to compile and research necessary facts and backup information with respect to answering the complaint. If a two-week extension is granted, our response would be delivered to the FEC on or before October 19, 1994. I appreciate your consideration of our request for an extension.

Sincerely,

SABEY CORPORATION


James W. Stubner, Jr.
General Counsel

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Robert F. Bauer, Esq.
Judith L. Corley, Esq.
Perkins Coie
607 Fourteenth Street, N.W.
Washington, DC 20463

October 11, 1994

RE: MUR 4055
Committee to Re-Elect Tom Foley
and Leona Dexter, as Treasurer

Dear Mr. Bauer and Ms. Corley:

This is in response to your client's letter dated September 29, 1994, requesting an extension until October 24, 1994 to respond to the complaint filed in the above-noted matter. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on October 24, 1994.

If you have any questions, please contact Joan McEnery at (202) 219-3400.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

25043630958



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 11, 1994.

James W. Stubner, Jr., General Counsel
Sabey Corporation
101 Elliott Avenue, W., Suite 330
Seattle, WA 98119

RE: MUR 4055
Sabey Corporation

Dear Mr. Stubner:

This is in response to your letter dated October 3, 1994, requesting an extension until October 19, 1994 to respond to the complaint filed in the above-noted matter. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on October 19, 1994.

If you have any questions, please contact Joan McEnery at (202) 219-3400.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

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SABEY
CORPORATION

October 18, 1994

BY OVERNIGHT COURIER

Office of General Counsel
Federal Election Commission
Washington, D.C. 20463
Attn.: Mary L. Taksar

Re: MUR 4055

Dear Ms. Taksar:

We are in receipt of your September 15, 1994 notice of complaint, which was received by Sabey Corporation on September 20, 1994. We have reviewed the complaint submitted by Mr. Ted Bare to the Federal Election Commission ("FEC") and provide the following information and enclosed materials for the FEC's consideration. Also enclosed is the undersigned's Statement of Designation of Counsel.

Mr. Bare's complaint alleges that Mr. David Sabey and/or Sabey Corporation "elected to rent space to Representative Tom Foley for much less than normal rent." Mr. Bare further alleges that the difference between "normal rent" and the rent charged constitutes an illegal political contribution to the extent the difference would exceed the maximum allowable contribution of \$1,000 by an individual or corporation. It is unclear from the complaint whether Mr. Bare is alleging an illegal contribution by Mr. Sabey, Sabey Corporation or both. Mr. Bare appears to base his allegations on the amount of rent he pays for his space under a long-term lease in NorthTown Mall.

Based on the information provided in this letter and the enclosed materials, we are confident that the FEC will conclude that no violation of the Federal Election Campaign Act of 1971, as amended (the "Act") has occurred.

By way of background, Sabey Corporation is the owner and operator of NorthTown Mall ("NorthTown"), located in Spokane Washington. NorthTown is a super-regional shopping center with over one million square feet of improved area and 160 permanent and temporary tenants and licensees occupying space for commercial and community uses. The primary objective in operating a shopping center is to have all available space leased to permanent tenants on long term leases (usually five to ten year terms). Rental rates for permanent tenants are a function of the sales volume which that category of tenant can generate, location in the Mall, size of space, availability of

Oct 19 12 34 PM '94

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OFFICE OF GENERAL
COUNSEL

space in the Mall, and the particular tenant's fit into the tenant mix of the Mall. For example, if Mr. Bare's location had a jewelry store tenant, the rental rate for that space would be about double what Mr. Bare currently pays for a restaurant. The mix (that is the type of tenants) and the balance (not having too many of one or the other tenants) is what dictates how many jewelry stores, restaurants, clothing stores, etc. a landlord can reasonably put into a Mall. The landlord's overall goal is to maximize the sales volume that the shopping center generates as the landlord generally receives a percentage of sales. To achieve this result, the landlord recognizes that it is appropriate to have a variety of shops and services in the Mall to create an atmosphere of one-stop shopping and convenience for its customers. It is generally believed that such an approach maximizes the sales volume of the overall center.

From time to time leaseable space in the Mall is vacant for periods of time between possession of the space by "permanent" tenants (i.e., tenants signing long-term leases). When Landlords are faced with periods of time when leaseable space for long-term tenants will be vacant, such spaces will often be leased or licensed to "temporary" tenants until a permanent tenant can be found for the space. This practice is not only done to receive revenue from the space, but it is equally important for aesthetic purposes to "keep the lights on" and to have an active, prosperous-appearing Mall.

Just as different uses for similar space will have different rental rates, the monthly rent paid by a permanent tenant, such as Mr. Bare, has no correlation or relevance whatsoever to the rent paid by a "temporary tenant." There are generally two types of temporary tenants. Temporary tenants filling "in-line" space that is available for permanent tenant leasing and temporary tenants in kiosk space that is temporary space in the Mall's common area. Rental rates for both "in-line" or "kiosk" temporary rentals vary seasonally. First, temporary Christmas tenants which typically come into the Mall in November and December of each year. During this high volume period, these tenants typically pay \$10,000 for the two-month period for a 100-200 square foot kiosk and for in-line space. The second class of temporary tenant is what is termed in the industry as "fill in." These tenants typically take space on a temporary basis between January and November at a minimum rental rate of \$1,000 per month or a straight percentage of sales and fill in any in-line store spaces in order to keep the lights on for the landlord until the landlord can conclude a permanent lease for that space with a tenant. Typically these fill in tenants are relocated within the Mall by the landlord as spaces are leased and others are vacated. Temporary tenants can be terminated with as little as ten days notice and generally go

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wherever space is available. The tradeoff for such uncertainty is an attractive rental rate. A temporary tenancy benefits both landlord and tenant in that the tenant is able to test its concept in the shopping center to see whether or not it wants to commit to a longer term lease or change its concept. It is also a win for the landlord in that the landlord has the flexibility of filling temporarily vacated space.

In June, 1994, the Foley Campaign approached Sabey Corporation requesting to lease temporary space in NorthTown between mid-July and mid-November. A letter of intent was sent to the Foley Campaign on June 21, 1994, which outlined the terms for a temporary tenancy at NorthTown. A copy of the June 21, 1994 letter is attached hereto as Exhibit A. Also on June 21, 1994, Sabey Corporation sent a letter to the Foley Campaign which explained how rents were set for temporary tenants and an attached list of comparable rents for in-line temporary space in support of the offered rent for the space. A copy of this letter is attached as Exhibit B. (Please note that Preferred Mortgage's rental rate of \$1,750 per month as indicated on the attachment includes utilities and was for a period running through a holiday season).

Sabey Corporation offered Space H114 (the "Premises") to the Foley Campaign. The Premise is a permanent in-line tenant location or "bumpback," as explained in the letter, as opposed to a "kiosk" which is temporary space leased in the mall common area. Kiosk space brings a higher rental rate because it is more desirable space for a temporary tenant based on visibility to shoppers. As set forth in the letter, the rent being asked was consistent with other rental charges for in-line temporary space during non-holiday periods.

The Premise had been originally occupied by Thom McAnn, a shoe store, on a permanent basis. Thom McAnn did not renew its lease and moved out of the mall on December 31, 1993. The Premises was then leased on a temporary basis to Quality Leather from February 1, 1994 to April 10, 1994 for a monthly rental rate of \$1,000. Quality Leather then moved to Space H109 on a temporary tenant basis and paid \$1,000 a month for this temporary space. The Premises was occupied on a temporary basis by B. Dalton Bookstore from April 11, 1994 to June 15, 1994. B. Dalton occupied the Premises during the period of time that their permanent location across the hall was being expanded and remodeled. B. Dalton paid as rent during this period a percentage of their "gross sales" only. During this period, Sabey Corporation had been negotiating with a national retailer for a long-term lease of the Premises. However, Sabey Corporation was informed by this prospective tenant that they would be unable to enter into a lease for the space until the

1995 fiscal year. Sabey Corporation was then left to find temporary tenants for the space for the remainder of 1994. Consequently, after the inquiry from the Foley Campaign, Sabey Corporation made the offer to the Foley Campaign to license the Premises through November. Sabey Corporation is at this time looking for a temporary tenant for the Premises for the holiday season.

Attached hereto as Exhibit C is the License Agreement between Sabey Corporation and the Foley Campaign dated June 27, 1994 (the "Agreement"). The Agreement was Sabey Corporation's standard license agreement at the time for temporary usage of space in NorthTown. The Agreement's basic terms are as follows:

1. Revocable license for temporary use of space H114, consisting of approximately 800 square feet (comprising approximately 25% of the total 3,118 square feet).
2. Term commencing July 15, 1994 and ending November 15, 1994, provided, however, the license is terminable at will by Sabey Corporation upon ten (10) days written notice.
3. A fixed fee of \$1,000 per month, prorated for any partial month.
4. The Premises are delivered and accepted in its "as is" condition.

The terms of the agreement are consistent with other temporary licenses of space (as explained in the June 21, 1994 letter) and the rent negotiated is the same as that paid by Quality Leather, the prior tenant for the same space.

In summary, the rent charged and paid by the Foley Campaign was a fair market rent for temporary space during "non-holiday" periods, was the same rent paid for the Premises by a prior temporary tenant, and is comparable to rental charges to other temporary tenants in "in-line" locations. The negotiation and resulting agreement represent an arms length transaction between Sabey Corporation and the Foley Campaign.

Mr. Bare's complaint has no basis in fact and is meritless. The personal attacks on Mr. Sabey set forth in the complaint are untrue. All actions which are the subject of the complaint were taken by Sabey Corporation and its duly authorized officers and agents.

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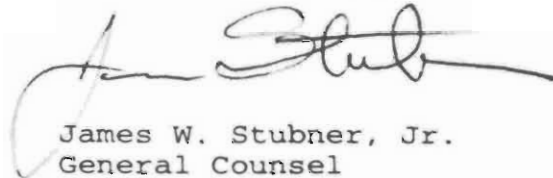
Office of General Counsel
October 18, 1994
Page 5

Sabey Corporation categorically denies that a violation of the Act exists and firmly believes that the information and facts set forth in this letter show beyond any doubt that Mr. Bare's complaint is unwarranted and without foundation. We are confident that the Commission will find no reason to believe a violation has occurred.

Please contact the undersigned if you have any questions or need further clarification or information. Thank you for your consideration.

Sincerely,

SABEY CORPORATION



James W. Stubner, Jr.
General Counsel

Attachments

cc: David A. Sabey
Laurent D. Poole

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 4055

NAME OF COUNSEL: James W. Stubner, Jr.

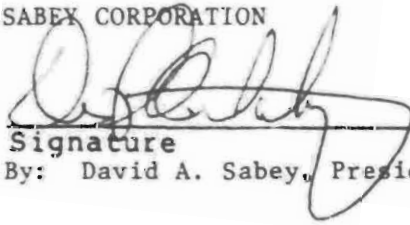
ADDRESS: Sabey Corporation
101 Elliott Avenue W., Suite 330
Seattle, WA 98119

TELEPHONE: (206) 281-8700

The above-named individual is hereby designated as my
counsel and is authorized to receive any notifications and other
communications from the Commission and to act on my behalf before
the Commission.

October 18, 1994
Date

SABEY CORPORATION


Signature

By: David A. Sabey, President

RESPONDENT'S NAME: David A. Sabey

ADDRESS: Sabey Corporation
101 Elliott Avenue W., Suite 330
Seattle, WA 98119

HOME PHONE: _____

BUSINESS PHONE: (206) 281-8700

FEDERAL ELECTION COMMISSION
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SABEY
CORPORATION

June 21, 1994

Ms. Janet Gilpatrick
Office of Congressman Thomas Foley
West 601 First Avenue
Spokane, WA 99204

Re: Temporary tenancy at NorthTown Mall, Spokane, Washington

Dear Ms. Gilpatrick:

Further to your discussion with David Sabey, I am pleased to propose the following terms and conditions for temporary tenancy in NorthTown Mall:

Landlord: Sabey Corporation

Tenant: Committee to re-elect Tom Foley

Location: Front half of H114 in the area shown in red on the attached lease plan, approximately 800 sq. ft.

Lease Term: July 15, 1994 through November 5, 1994

Permitted Uses: Campaign office and marketing activities

Monthly Rental: \$1,000 per month payable in advance on the 1st of each month

Construction: "As-is" condition, landlord to provide temporary interior demising wall

Utilities: Tenant shall be responsible for its direct utilities, electric, telephone and gas (if necessary). HVAC included in monthly rate

The attached is our standard Temporary Tenant License Agreement, please review it and if you have any questions do not hesitate to call me.

Sincerely,

SABEY CORPORATION


Laurent D. Poole

Executive Vice President

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SABEY
CORPORATION

June 21, 1994

Ms. Janet Gilpatrick
Office of Congressman Thomas Foley
West 601 First Avenue
Spokane, WA 99204

Re: Temporary Tenancy at NorthTown Mall, Spokane, Washington

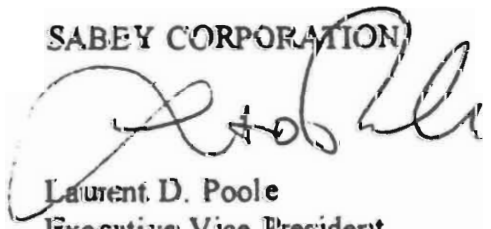
Dear Ms. Gilpatrick:

I am enclosing with this cover letter a proposal and our Standard License Agreement for temporary tenancy at NorthTown Mall. We generally have two types of temporary tenants: kiosks and bumpbacks. Your use falls into the bumpback category. The space we are proposing has just been vacated by B. Dalton Books and is not scheduled to be released until January 1995. As such it is available for temporary tenants. While there is no set rental rate for our temporary tenancies, they depend upon several factors including the amount of sales which a tenant can generate over the term of their tenancy and the location of the space. Market rent for January through October is approximately \$1,200 per month or a percentage of the tenant's sales volume. Rents between Thanksgiving and Christmas increase to approximately \$4,000 per month to reflect the busier season. Attached is a list of recent temporary tenant's agreements. I think you will agree after you review the list that \$1,000 a month is a fair market rent for the space we are proposing.

Should you have any questions or require any further information, I would be more than happy to help. We look forward to having you as a tenant.

Yours sincerely,

SABEY CORPORATION


Laurent D. Poole
Executive Vice President

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TEMPORARY TENANT AGREEMENTS

<u>Tenant</u>	<u>Space</u>	<u>Rate</u>
Preferred Mortgage Services, Inc.	H125 Bumpback	\$1,750 month including utilities
Quality Leather	H109 Bumpback	\$1,000 month
Personalized Publishing	M103	\$1,000 month including utilities
NordicTrack	Kiosk	\$1,500 month
Blue Sky Dist.	Kiosk	\$1,000 month
Wilson's Leather	Kiosk	\$1,200 month
Watch Company	Kiosk	\$1,250 month
Wendle Ford (2 cars)	Kiosk	\$1,600 month

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This Specialty Event License Agreement ("Agreement") is made this 27th day of June, 1994, by and between Sabey Corporation, a Washington corporation ("Licensor"); and Committee to Re-Elect Thomas Foley ("Licensee").

1. **License Area and Location.** Licensor hereby grants to Licensee a non-transferable right and revocable license for the temporary use of that certain space containing approximately 800 square feet located in Suite H114 at the NorthTown Mall, 4750 N. Division, Spokane, WA 99207 (the "Mall"), which space is referred to in this Agreement as the "License Area." The License Area is further described in Exhibit A, attached to this Agreement and incorporated herein by this reference.
2. **Term.** The term of this Agreement shall commence on July 15, 1994, and shall expire on November 15, 1994, unless sooner terminated as provided in this Agreement. If Licensor fails to quit and surrender the License Area in accordance with this Agreement on the date of the expiration or termination of this Agreement, the term of this Agreement shall be deemed to be extended on a month to month basis. Licensee acknowledges and agrees that this License may be terminated by Licensor for any reason or for no reason upon ten (10) days written notice to Licensee.
3. **Use.** Licensee shall use the License Area during the term of this Agreement for the sole purpose of a campaign office and marketing activities, and for no other purpose without Licensor's prior written consent.
4. **Fixed Fee.** Licensee shall pay Licensor a monthly Fixed Fee ("Fixed Fee") for Licensee's use of the License Area of One Thousand Dollars (\$1,000) in advance upon Licensee's execution of this Agreement and thereafter on the first business day of each calendar month for so long as this Agreement is in effect.
5. **Late Charges.** In the event Licensee fails to pay any amount payable by it to Licensor when due in accordance with this Agreement, then in addition to paying such past due amount, Licensee shall pay Licensor a late charge equal to One Hundred Dollars (\$100.00) plus Ten Dollars (\$10.00) per day thereafter for so long as said default continues. If such a default continues for a period in excess of five (5) days, Licensee shall pay Licensor interest on the amounts owing (until paid) at a rate equal to the greater of: (i) twelve percent (12%) per annum; or (ii) the rate per annum equal to three (3) percentage points above the rate of interest then most recently published by Seattle-First National Bank of Washington as its "reference rate," "base rate" or "prime rate," as the case may be. If accrual or payment of such interest is unlawful, then interest shall be computed at the maximum legal rate.
6. **Licensee's Maintenance; No Improvements.** Licensee shall at all times maintain the License Area, and any equipment or property used or installed by Licensee in the License Area, in good, clean and safe condition, free of all debris and trash. Licensee shall not make any improvements, alterations or changes of any kind to the License Area without the prior written approval of Licensor. In addition to all other remedies of Licensor under this Agreement, if (i) Licensee does not maintain the License Area as required under this Section 7; or (ii) repairs or replacement of any portion of the License Area or the Mall are made necessary by any act, omission or negligence of Licensee or its agents or employees, then Licensor may make such repairs or provide such maintenance without liability to Licensee for any loss or damage to Licensee, its merchandise, fixtures, or other property or to Licensee's business by reason of such repairs or maintenance. Further, upon completion of any such repair or maintenance, Licensee shall pay upon demand, as additional Fixed Fee, Licensor's costs for making such repairs or providing such maintenance together with Licensor's administrative costs related thereto, which amount shall equal 1.20 times the total cost of such repair.
7. **Termination.** Upon the expiration or termination of this Agreement, Licensee shall: (i) Return the License Area to Licensor in broom clean condition and restore the License Area to at least as good a condition as it was in before Licensee took possession; and (ii) remove its equipment and any other property from the License Area and the Mall. Licensee acknowledges and agrees that it shall reimburse Licensor upon demand for Licensor's costs to repair any damage caused by such removal by Licensee. Any equipment or property not removed within two (2) days of the date of termination or expiration of this Agreement shall be deemed abandoned by Licensee and Licensor shall have the right, but not the obligation, to remove and dispose of such abandoned equipment or property at Licensee's sole cost and risk.
8. **Compliance With Laws.** Licensee shall at all times observe and comply with all federal, state and local laws, ordinances, rules, regulations and code requirements. Licensee shall obtain all permits and licenses for the operation of its business at the Mall and shall comply with all current and future rules and regulations of Licensor for tenants or licensees at the Mall. Licensee shall at all times maintain sufficient supervision and control of its employees and invitees. Licensee shall not: (i) obstruct the free flow of pedestrian or vehicular traffic in any area of the Mall; (ii) harm the License Area, commit any waste, create a nuisance or make any use of the License Area which is offensive; or (iii) act, or fail to act, in any manner which could result in injury or harm to any person in or about the Mall. Licensor's Rules and Regulations are attached to this Agreement and are incorporated herein by this reference.
9. **Insurance.** Licensee shall deliver to Licensor an original signed Certificate of Insurance or certified duplicate liability insurance policy fifteen (15) days prior to the commencement date of this Agreement naming Licensor, its principals, their agents and/or beneficiaries, SeaFirst Bank and any other individual or entity designated by Licensor, as additional insureds, and evidencing comprehensive general liability insurance coverage (broad form) in minimum amounts of \$500,000 bodily injury to any one person, \$1,000,000 for any one accident, and \$1,000,000 for property damage.
10. **Utilities and Services.** Licensee shall supply User with electricity and HVAC only. If Licensee provides Licensor with access to a telephone service hookup under this Section 11, Licensee shall be solely responsible, at its cost, for arranging for telephone service to the License Area with the local service provider. Licensee shall not be liable to Licensor for any loss, injury or damage to persons or property caused by or resulting from any variation, failure, or interruption of any services or utilities to be provided by Licensor under this Agreement due to any cause whatsoever, or resulting from Licensor's failure to make any repairs or perform maintenance, if any, required to be performed by it under this Agreement.
11. **Relocation.** Licensee understands and agrees that the License Area may be relocated at any time at the sole discretion of Licensor.
12. **Hours of Operation.** Licensee shall remain open for business during the hours that the Mall is open for business.
13. **Default.** Any failure by Licensee to perform any term or condition of this Agreement as provided in this Agreement shall constitute a default under this Agreement. Licensor may exercise any remedy available to it at law or in equity upon Licensee's default under this Agreement. Any breach or default by the Licensee under this Agreement shall constitute a default under any other agreement or lease between Licensor and Licensee. Any breach or default under any other agreement or lease between Licensor and Licensee shall constitute a default under this Agreement. Licensee shall reimburse Licensor for any and all costs and expenses (including attorneys' fees and costs) which Licensor incurs in connection with enforcing Licensee's obligations under this Agreement.
14. **Lien.** Licensee shall keep the License Area free and clear of any mechanics' liens and other such liens. Nothing in this Agreement shall be construed as consent on the part of Licensor to subject the Mall to any lien or liability under the lien laws of the State of Washington.
15. **Limitation of Rights of Recovery Against Licensor.** There shall be no personal liability of Licensor in respect to any of the terms of this Agreement. In the event of any breach or default by Licensor under this Agreement, Licensee shall look solely to the equity of Licensor in the Mall for satisfaction of Licensee's remedies.
16. **Entire Agreement.** This Agreement contains the entire agreement between the parties and all prior understandings and agreements between the parties are merged into this Agreement. This Agreement may be modified only by a writing signed by all of the parties.
17. **Notices.** Any notice permitted or required under this agreement shall be given to Licensee, or Licensee's on-site representative, at the License Area and to Licensor at Licensor's address set forth below. Licensor's signature to this Agreement. Notices shall be deemed given when personally delivered or 72 hours after deposited in the mail, postage prepaid, certified mail, return receipt requested.
18. **Acceptance of License Area.** By taking possession of the License Area, Licensee shall be deemed to have inspected the License Area and accepted the License Area "As-Is" in its present condition. Licensee acknowledges and agrees that neither Licensor, nor any employee, agent or representative of

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Licensor, has no representation or warranty, express or implied, of any kind as to the condition of the License Area or its suitability for Licensee's proposed use. Licensee acknowledges and agrees that Licensor has no obligation to improve or maintain the License Area unless said obligation is expressly set forth in this Agreement.

19. **Waiver of Responsibility; Indemnification.** Licensee shall assume liability for, and shall indemnify, defend and hold harmless Licensor and its shareholders, officers, directors, employees, agents, customers and invitees, from and against, any and all liabilities, obligations, losses, fines, damages, claims, demands, judgments, penalties, expenses (including without limitation attorneys' fees and costs), arising, directly or indirectly from: (i) any labor dispute involving Licensee or its contractors or agents; (ii) the use or enjoyment of the License Area or the Mall by Licensee or its contractors, agents, employees and/or customers or invitees; (iii) injury to, or death of, any person or persons or damage to or destruction of, any property (including without limitation the cost of investigation, removal or remedial action and disposal of any hazardous or toxic substances, as such terms may be defined under any applicable federal, state or municipal law, statute, law, rule or regulation) occurring in, on or about the License Area; or (iv) a breach of this Agreement by Licensee or any act or omission of Licensee or its agents, employees or contractors (the "Claims"). Notwithstanding anything to the contrary in this Section 20, nothing in this Section 20 shall relieve Licensor from responsibility for its proportionate share of its fault attributable to its negligence in causing any Claims. EACH LICENSEE HEREBY WAIVES ITS IMMUNITY WITH RESPECT TO LICENSOR AND/OR LICENSOR'S CONTRACTORS UNDER THE INDUSTRIAL INSURANCE ACT (RCW TITLE 51) AND/OR THE LONGSHOREMEN'S AND HARBOR WORKER ACT, AND/OR ANY EQUIVALENT ACTS AND EACH LICENSEE EXPRESSLY AGREES TO ASSUME POTENTIAL LIABILITY FOR ACTIONS BROUGHT AGAINST LICENSOR AND/OR LICENSOR'S CONTRACTORS BY LICENSEE'S EMPLOYEES. THIS WAIVER HAS BEEN SPECIFICALLY NEGOTIATED BY THE PARTIES TO THIS AGREEMENT AND LICENSEE HAS HAD THE OPPORTUNITY TO, AND HAS BEEN ENCOURAGED TO, CONSULT WITH INDEPENDENT COUNSEL REGARDING THIS WAIVER. To the maximum extent permitted by law, Licensee's activities on, and use of, the License Area and the Mall shall be at Licensee's sole risk. Licensee's obligations under this Section shall survive the expiration or termination of this Agreement.

20. **Waiver of Right to Recovery.** Licensee hereby releases and waives all right of recovery which it might otherwise have against Licensor, or other tenants of the Mall, and their respective agents and employees, by reason of any loss or damage resulting from any recovery, claim, action or cause of action against Licensor, damage or injury or other occurrence no matter how caused, to the extent that the same is either covered by the Licensee's insurance (assuming no deductible) or would have been covered had Licensee complied with the requirements of this Agreement.

21. **Relationship of the Parties.** Nothing in this Agreement shall be construed to create any relationship between the parties other than that of licensor and licensee.

22. **Signage.** Licensee is responsible for all of Licensee's signage. All signage must be pre-approved in writing by Mall management and hand-written signs are not permitted.

23. **Visual Merchandising.** Licensee shall comply with the visual merchandising standards of Licensor and shall submit to Licensor a visual merchandising plan for approval. Licensee understands and agrees to implement visual merchandising recommendations of the Licensor and change visual merchandising presentation as requested by Licensor.

24. **Informational Use.** Any informational material provided by Licensor to Licensee is provided for reference only and no representations or warranties are made concerning any item contained in such materials. Licensee acknowledges and agrees that its use of such material is solely at Licensee's risk and discretion.

25. **Representations.** Licensee acknowledges that Licensor had made no representations concerning the possibility of the extension of the term of this Agreement beyond the period set forth in Section 2 hereof. Licensee further acknowledges that the term of this Agreement is expressly subject to the termination right provided in Section 2 thereof.

Licensor and Licensee have executed this Agreement on the day and year first above written.

Licensor:

SABEY CORPORATION

By: 

Its: Executive Vice President

Address: 101 Elliott Avenue W., Suite 330
Seattle, WA 98119

Phone No.: 206/281-8700

Licensee:

COMMITTEE TO RE-ELECT THOMAS FOLEY

By: 

Its: _____

S.S.N. or F.E.I.N. P.O. Box 2121
Address: Spokane 99210-2121
Phone No. 509-353-2155

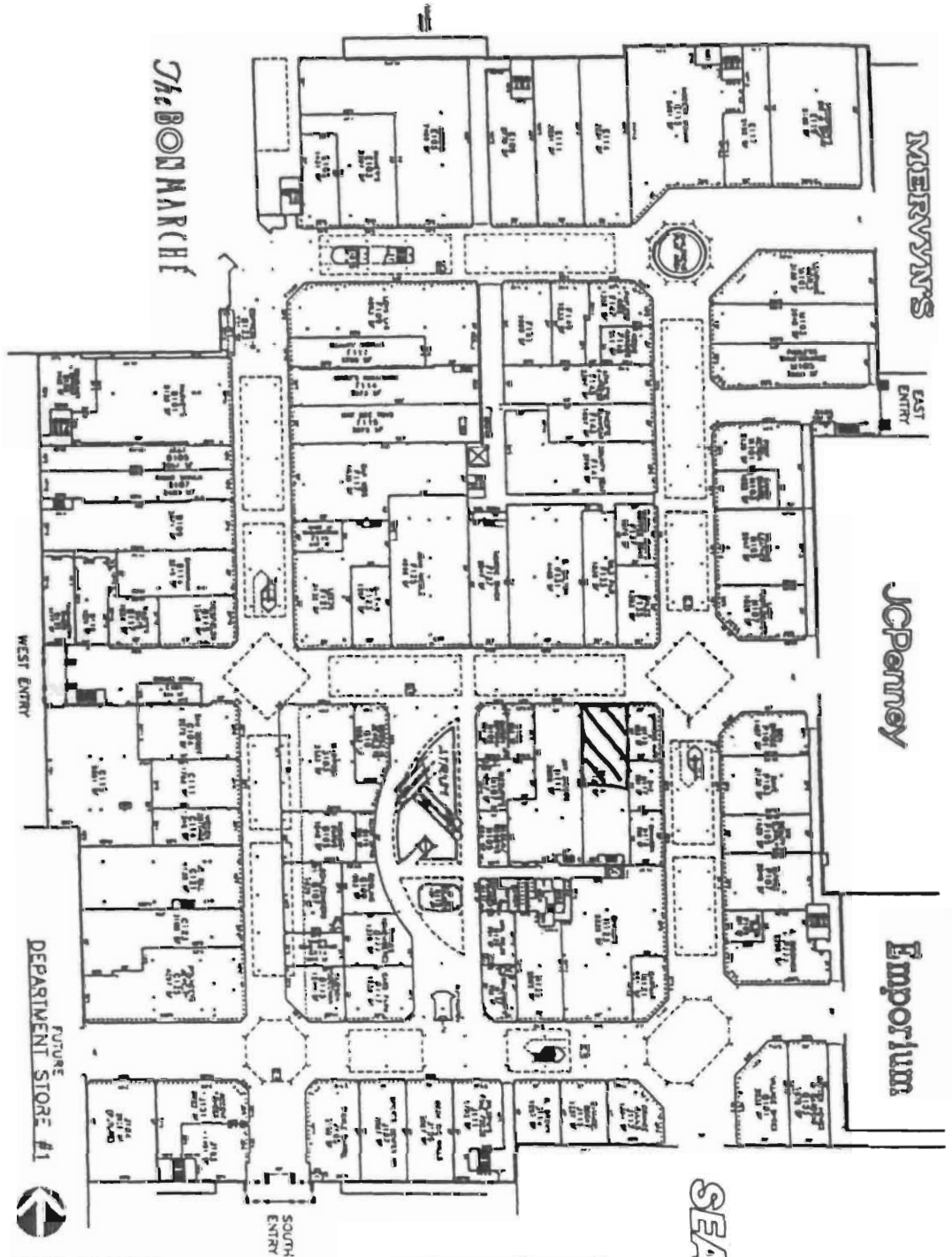
MERVYN'S

EAST ENTRY

JCPenney

Emporium

SEARS



FUTURE DEPARTMENT STORE #1



NORTH TOWN
SHOPPING CENTER
MAIN LEVEL
LEASING PLAN

MAIL DELIVERY AREA

Mail Level GLA	207,434 sq. ft.
Second Level GLA	154,124 sq. ft.
Food Court GLA	8,431 sq. ft.
Food Court GLA	23,438 sq. ft.
Food Court GLA	407,086 sq. ft.
Total GLA	801,446 sq. ft.

MAIL DELIVERY AREA

Mail Level GLA	144,179 sq. ft.
Second Level GLA	144,179 sq. ft.
Food Court GLA	8,431 sq. ft.
Food Court GLA	23,438 sq. ft.
Food Court GLA	407,086 sq. ft.
Total Mail Level GLA	801,446 sq. ft.

THIS DOCUMENT IS SUBJECT TO CHANGES AND SHOULD NOT BE USED FOR ANY PURPOSES WITHOUT THE WRITTEN CONSENT OF THE DEVELOPER. THE DEVELOPER ASSUMES NO LIABILITY FOR ANY ERRORS OR OMISSIONS IN THIS PLAN.

X LOCATION OF MAIL DELIVERY

1603934056

PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
607 FOURTEENTH STREET, N.W. • WASHINGTON, D.C. 20005-2011
(202) 628-6600 • FACSIMILE (202) 434-1690

RECEIVED
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COMMISSION
OFFICE OF GENERAL
COUNSEL

OCT 24 3 53 PM '94

October 24, 1994

Joan McEnery
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

**Re: MUR 4055 - Tom Foley, Committee to Re-Elect Tom Foley and
Leona W. Dexter, as Treasurer**

Dear Ms. McEnery:

This is the response to Congressman Tom Foley and the Committee to Re-Elect Tom Foley ("the Committee"), Leona W. Dexter as Treasurer ("Respondents") to the complaint filed against them by Ted Bare. The complaint is without merit and should be dismissed.

Mr. Bare alleges in his complaint that Respondents have received a prohibited corporate contribution from the Sabey Corporation in the form of rental space offered at lower than the normal market rate. The facts show, however, that the rate paid by Respondents for the space owned by the Sabey Corporation is the normal market rate for such space, and that no violation has occurred.

The Facts

Complainant correctly states that the Committee rents space from the Sabey Corporation, owner of the Northtown Shopping Mall in Spokane, Washington. Complainant also correctly states that the monthly rental on the space is \$1,000. Complainant incorrectly concludes, however, that this rate is less than the normal market charge.

It was Respondents' understanding when it entered into the rental agreement with the Sabey Corporation, that the rental rate charged the Committee is completely within the range of normal rates charged by the Sabey Corporation, for renters of similar space in the shopping mall for a similar period of time. The Committee has

[13710-0001 DA942960 067]

rented the space as a temporary tenant for only three and one-half months. Under the terms of its lease Committee may be asked to vacate the space before the end of its lease with only 10 days notice. Contrary to the floor plan attached to the complaint, the Committee occupies only the front half of the space indicated. Respondents were told upon entering into the lease, that the rent charged is the same as the rate charged a non-political lessor which occupied the space immediately before the Committee

The Law

Federal Election Commission regulations define the term "contribution" as including "anything of value," such as goods or services provided without charge or at less than "the usual and normal charge." 11 C.F.R. § 100.7(a)(1)(iii)(A). The term "usual and normal charge" is defined as "the price of those goods in the market from which they ordinarily would have been purchased." 11 C.F.R. § 100.7(a)(1)(iii)(B).

Under these same regulations, at 11 C.F.R. § 116.3, a corporate may extend credit to a candidate or a political committee and this extension of credit will not be considered a contribution provided the credit is extended:

1. In the ordinary course of the commercial vendor's business; and
2. According to terms that are substantially similar to extensions of credit to nonpolitical debtors that are of a similar risk and similar size of obligation.

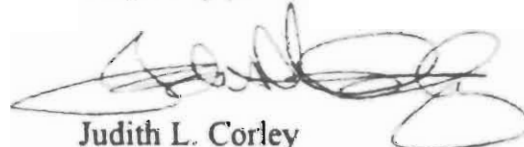
In determining whether the credit was extended in the "ordinary course of business," the Commission will look to the following factors:

- Whether the commercial vendor followed its established procedures and its past practice in approving the credit;
- Whether the commercial vendor received prompt payment in full if it previously extended credit to the same candidate or political committee; and
- Whether the extension of credit conformed to the usual and normal practice in the commercial vendor's trade or industry.

October 24, 1994
Page 3

As discussed above, the lease agreement between the Committee and the Sabey Corporation meets these requirements. There has been no prohibited contribution by the Sabey Corporation. The Commission should dismiss this complaint and take no further action.

Very truly yours,



Judith L. Corley
Counsel to Respondents

25043630974

BEFORE THE FEDERAL ELECTION COMMISSION JAN '95

SENSITIVE

In the Matter of

)
) Enforcement Priority
)

GENERAL COUNSEL'S MONTHLY REPORT

I. INTRODUCTION

This report is the General Counsel's Monthly Report to recommend that the Commission no longer pursue the identified lower priority and stale cases under the Enforcement Priority System.

II. CASES RECOMMENDED FOR CLOSING

A. Cases Not Warranting Further Pursuit Relative to Other Cases Pending Before the Commission

A critical component of the Priority System is identifying those pending cases that do not warrant the further expenditure of resources. Each incoming matter is evaluated using Commission-approved criteria and cases that, based on their rating, do not warrant pursuit relative to other pending cases are placed in this category. By closing such cases, the Commission is able to use its limited resources to focus on more important cases.

Having evaluated incoming matters, this Office has identified 22 cases which do not warrant further pursuit relative to the other pending cases.¹ A short description of

1. These matters are: PM 305; MUR 3976; MUR 4023; MUR 4026; MUR 4031; MUR 4032; MUR 4036; MUR 4050; MUR 4051; MUR 4052; MUR 4055; MUR 4056; MUR 4058; MUR 4063; MUR 4068; MUR 4072; MUR 4073; MUR 4075; MUR 4078; MUR 4081; MUR 4082; and MUR 4083.

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each case and the factors leading to assignment of a relatively low priority and consequent recommendation not to pursue each case is attached to this report. See Attachments 1-22. For the Commission's convenience, the responses to the complaints for the externally-generated matters and the referral for the internally-generated matter are available in the Commission Secretary's office.

B. Stale Cases

Investigations are severely impeded and require relatively more resources when the activity and evidence are old. Consequently, the Office of General Counsel recommends that the Commission focus its efforts on cases involving more recent activity. Such efforts will also generate more impact on the current electoral process and are a more efficient allocation of our limited resources. To this end, this Office has identified 9 cases that have remained inactive and assigned to the Central Enforcement Docket for one year and which it believes do not warrant further investment of significant Commission resources.² Since the recommendation not to pursue the identified cases is based on staleness, this Office has not prepared separate narratives for these cases. However, for the Commission's convenience, the responses to the complaints for the externally-generated matters and the referrals for the internally-generated matters are also available in the

2. These matters are: MUR 3828; MUR 3829; RAD 93L-73; RAD 93L-75; RAD 93L-78; RAD 93L-83; RAD 93L-84; RAD 93L-88; and RAD 93L-91.

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Commission Secretary's office.

This Office recommends that the Commission exercise its prosecutorial discretion and no longer pursue the cases listed below effective February 21, 1995. By closing the cases effective February 21, 1995, CED and the Legal Review Team will respectively have the additional time necessary for preparing the closing letters and the case files for the public record for these cases.

III. RECOMMENDATIONS

A. Decline to open a MUR and close the file effective February 21, 1995 in the following matters:

- 1) RAD 93L-73
- 2) RAD 93L-75
- 3) RAD 93L-78
- 4) RAD 93L-83
- 5) RAD 93L-84
- 6) RAD 93L-88
- 7) RAD 93L-91

B. Decline to open a MUR, close the file effective February 21, 1995 and approve the appropriate letter in PM 305.

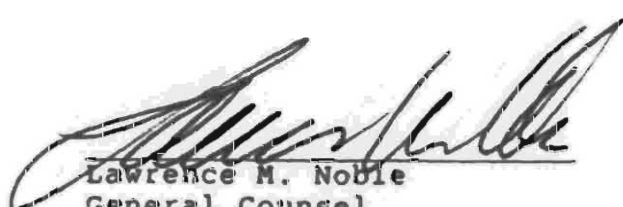
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C. Take no action, close the file effective February 21, 1995, and approve the appropriate letter in the following matters:

- 1) MUR 3828
- 2) MUR 3829
- 3) MUR 3976
- 4) MUR 4023
- 5) MUR 4026
- 6) MUR 4031
- 7) MUR 4032
- 8) MUR 4036
- 9) MUR 4050
- 10) MUR 4051
- 11) MUR 4052
- 12) MUR 4055
- 13) MUR 4056
- 14) MUR 4058
- 15) MUR 4063
- 16) MUR 4068
- 17) MUR 4072
- 18) MUR 4073
- 19) MUR 4075
- 20) MUR 4078
- 21) MUR 4081
- 22) MUR 4082
- 23) MUR 4083

25043630978
Date

2/13/95


Lawrence M. Noble
General Counsel

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of
Enforcement Priority

)
)
)

AMENDED CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that the Commission decided by a vote of 6-0 on February 16, 1995, to take the following actions with respect to the General Counsel's February 13, 1995 report on enforcement priority:

- A. Decline to open a MUR and close the file effective February 21, 1995 in the following matters:
- 1) RAD 93L-73
 - 2) RAD 93L-83
 - 3) RAD 93L-88
- B. Decline to open a MUR, close the file effective February 21, 1995 and approve the appropriate letter in PM 305.
- C. Take no action, close the file effective February 21, 1995, and approve the appropriate letter in the following matters:
- 1) MUR 3829
 - 2) MUR 4023
 - 3) MUR 4036

(continued)

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Federal Election Commission
Certification: Enforcement Priority
February 16, 1995

Page 2

4) MUR 4050
5) MUR 4051
6) MUR 4052
7) MUR 4055
8) MUR 4063
9) MUR 4072
10) MUR 4073
11) MUR 4075
12) MUR 4078
13) MUR 4081
14) MUR 4082
15) MUR 3976

Commissioners Aikens, Elliott, McDonald, McGarry,
Potter, and Thomas voted affirmatively for the decision.

Attest:

2-21-95
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 27, 1995

Ted Bare
c/o Pickle Barrel
North 4750 Division, Suite 102
Spokane, WA 99207

RE: MUR 4055

Dear Mr. Bare:

On September 9, 1994, the Federal Election Commission received your complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended ("the Act").

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against Tom Foley, the Committee to Re-Elect Tom Foley and Leona Dexter, as treasurer, David Sabey and the Sabey Corporation. See attached narrative. Accordingly, the Commission closed its file in this matter on February 21, 1995. This matter will become part of the public record within 30 days.

The Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Sincerely,

Mary L. Taksar

Mary L. Taksar
Attorney

Attachment
Narrative

25043630961

25043630982
MUR 4055

TOM FOLEY COMMITTEE

Ted Bare filed a complaint alleging that the Sabey Corporation made an illegal corporate contribution to the Tom Foley Committee by renting the campaign space for less than fair market value. The complaint indicates that the Committee reported a disbursement for rent as \$1,000, the fair market rent for the space is no less than \$5,000, and the complainant's rent in the same complex is \$6,475 yet his space is smaller.

In response to the complaint, the Committee states that the rate charged is completely within the range charged by the Sabey Corporation for renters of similar space in the shopping mall for a similar period of time and that the Committee rented the space as a temporary tenant for only three and one-half months.

The Sabey Corporation responds that different uses for similar space will result in different rental rates and that the monthly rent paid by a permanent tenant has no correlation or relevance to the rent paid by a temporary tenant. The Sabey Corporation states that the terms of the agreement with the Foley Committee are consistent with other temporary licenses of space and the rent negotiated is the same as that paid by the prior tenant for that same space.

This matter involves less significant issues relative to other matters pending before the Commission.



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 27, 1995

James W. Stubner, Jr., General Counsel
Sabey Corporation
101 Elliott Avenue, W., Suite 330
Seattle, WA 98119

RE: MUR 4055
David Sabey, Sabey
Corporation

Dear Mr. Stubner:

On September 15, 1994, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against your clients. See attached narrative. Accordingly, the Commission closed its file in this matter on February 21, 1995.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact the Central Enforcement Docket at (202) 219-3400.

Sincerely,

Mary L. Taksar

Mary L. Taksar
Attorney

Attachment
Narrative

25043630983

MUR 4055
TOM FOLEY COMMITTEE

Ted Bare filed a complaint alleging that the Sabey Corporation made an illegal corporate contribution to the Tom Foley Committee by renting the campaign space for less than fair market value. The complaint indicates that the Committee reported a disbursement for rent as \$1,000, the fair market rent for the space is no less than \$5,000, and the complainant's rent in the same complex is \$6,475 yet his space is smaller.

In response to the complaint, the Committee states that the rate charged is completely within the range charged by the Sabey Corporation for renters of similar space in the shopping mall for a similar period of time and that the Committee rented the space as a temporary tenant for only three and one-half months.

The Sabey Corporation responds that different uses for similar space will result in different rental rates and that the monthly rent paid by a permanent tenant has no correlation or relevance to the rent paid by a temporary tenant. The Sabey Corporation states that the terms of the agreement with the Foley Committee are consistent with other temporary licenses of space and the rent negotiated is the same as that paid by the prior tenant for that same space.

This matter involves less significant issues relative to other matters pending before the Commission.

25043630984



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 27, 1995

Robert F. Bauer, Esquire
Perkins Coie
607 Fourteenth Street, N.W.
Washington, DC 20463

RE: MUR 4055
Committee to Re-Elect
Tom Foley and Leona
Dexter, as treasurer,
Tom Foley

Dear Mr. Bauer:

On September 15, 1994, the Federal Election Commission notified your clients of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against your clients. See attached narrative. Accordingly, the Commission closed its file in this matter on February 21, 1995.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact the Central Enforcement Docket at (202) 219-3400.

Sincerely,

Mary L. Taksar

Mary L. Taksar
Attorney

Attachment

25043630935

MUR 4055

TOM FOLEY COMMITTEE

Ted Bare filed a complaint alleging that the Sabey Corporation made an illegal corporate contribution to the Tom Foley Committee by renting the campaign space for less than fair market value. The complaint indicates that the Committee reported a disbursement for rent as \$1,000, the fair market rent for the space is no less than \$5,000, and the complainant's rent in the same complex is \$6,475 yet his space is smaller.

In response to the complaint, the Committee states that the rate charged is completely within the range charged by the Sabey Corporation for renters of similar space in the shopping mall for a similar period of time and that the Committee rented the space as a temporary tenant for only three and one-half months.

The Sabey Corporation responds that different uses for similar space will result in different rental rates and that the monthly rent paid by a permanent tenant has no correlation or relevance to the rent paid by a temporary tenant. The Sabey Corporation states that the terms of the agreement with the Foley Committee are consistent with other temporary licenses of space and the rent negotiated is the same as that paid by the prior tenant for that same space.

This matter involves less significant issues relative to other matters pending before the Commission.

25043630986



FEDERAL ELECTION COMMISSION
WASHINGTON DC 20463

THIS IS THE END OF MUR # 4055

DATE FILMED 3-7-85 CAMERA NO. 2

CAMERAMAN Jm H

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