

C & M Trailer Rentals
2661 Alvarado Street #22
San Leandro, CA. 94577

November 28, 2011

Elmer Penaranda
835 E.14th Street
San Leandro, CA. 94577

Dear Elmer Penaranda:

First, I would like to apologize for using my facility for event rental purposes instead of for the sole purpose I represented. At the time I made this decision, I had been informed of the city ordinance bill of \$8,600, which was going to cost me approximately \$250 per month. This was an added expense I had not anticipated. I requested a longer time period than three years to pay, but my request was denied. Since this is the off season for motorcycle riding, I needed some extra money to cover my monthly obligations. Although I knew this would be a slow time of year and planned for my income to go down, I did not plan on higher expenses. In addition, I spent \$1,000 for architectural drawings, which I was asked to provide by the city building department and then told not to turn in by Tim Liao.

Obviously, I did not make the best decision and did not even realize the potential ramifications. However, before you make a final decision, I would like to tell you a little about who I am. I have been working since a very young age. I started my own recycling business when I was just ten years old. I also started working at the age of 13 with my grandfather as a janitor for Capital Realty, one of the longest family-based businesses in San Leandro (since 1958). I continued to work for the company without my grandfather for several years until 2005 (14 yrs).

I have always had an entrepreneurial spirit. This is the reason I chose to start my own business. Since I had lived in the San Leandro/San Lorenzo area for 8 years, and my wife is a juvenile probation officer in San Leandro, I chose this city to launch my business. I took off working on my primary job in May of this year to get the business up and running. In my primary job, I have been a plumber in Union Local #38 working in San Francisco for 12 years. I enjoy the work I do there, but also wanted an opportunity to establish my own business as I had always dreamed of doing. C & M Trailer Rentals was my opportunity to do this.

Although my decision was a mistake on my part, I believe C & M Trailer Rentals can be a benefit to the San Leandro community for the following reasons:

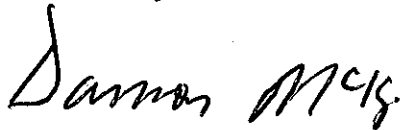
- I have already brought business to Barstad & Donicht, a trailer parts facility located near my business.
- "The Steel Guys", also located in San Leandro, do the welding and fabricating for my trailers.
- A majority of my clientele are based in the San Leandro/San Lorenzo community.
- Lewis Rents, located in San Lorenzo, refers all their customers for car and motorcycle trailer rentals to C & M Trailer Rentals.
- San Leandro has the only motorcycle trailer rental facility in Northern California.
- The landlord of my facility is in full support of me remaining at his building and proceeding

with my business.

Having provided you with some background on how I arrived at where I am today, and the value I believe my company will bring to San Leandro and other local businesses, I would like to request that you not revoke your decision to approve the conditional use permit for my business. I have returned to work as a foreman on my plumbing job and am in a position to meet my financial obligations. Although I made a bad decision, my intent was not to do anything that I thought would ~~jeopardize my status with the City of San Leandro. If given the opportunity to continue my business~~ here, I will not conduct any other business at my facility other than what I originally represented. I would appreciate your consideration of a fine and/or probationary period versus the loss of my business investment and the loss of the business I will bring to the community as my business grows.

Sincerely,

Damon McKinney

A handwritten signature in black ink that reads "Damon McKinney". The signature is written in a cursive style with a large initial "D" and "M".