

January 12, 2016

Dear Olympia City Council,

I am providing the following information, because I believe it is relevant to the Olympia's government and its citizens, as well as citizens in the rest of Thurston County.

Along with others, I am concerned about the apparent influence of a well-known Olympia criminal on the city government, and its potential influence on Thurston County.

Turning a blind eye to Joe Hyer's years of ongoing lawlessness is opening the door to more risk, particularly in the already crime-ridden streets where Hyer has a strong presence and perplexing acceptance by Olympia's leaders.

I am also concerned about the impact on the community of potential illegal activities performed by Olympia government representatives.

- 1) Olympia City Councilman Jim Cooper's public claim that he is Vice President of the Olympia Gear Exchange LLC's Board of Directors is not supported by any records at the Washington Secretary of State's Office, as of yesterday (January 11, 2016). The Washington Department of Revenue also shows no record of Jim Cooper having any role in the Olympia Gear Exchange, LLC.**

**Cooper makes this claim as a [credential for his candidacy](#) for Thurston County Commissioner.**

Joe Hyer is the only owner or officer identified by both the Secretary of State and the Department of Revenue for Olympia Gear Exchange, LLC. Shawn Hyer is Executor #2 on the corporate formation document.

Joe Hyer resigned his position as Olympia Mayor Pro Temp as a result of his 2010 arrest and subsequent guilty plea for felony drug dealing.

Five months prior to the formation of "Olympia Gear Exchange LLC" in October 2015, Olympia Gear Exchange was registered as a trade name under Olycentro Inc. on May 8, 2015—the same day that Hyer's defunct "Alpine Experience" returned as a new trade name under Olycentro.

Olycentro Inc.'s chairman, president, and treasurer is also Joe Hyer.

Hyer's Olympia Gear Exchange continues to be reported by DOR as a trade name under his Olycentro, as well as being its own separate LLC under a separate UBI number.

Hyer's Olycentro has five registered trade names, including "Centro." Centro's representatives portray it as a type of parent company of the other entities—although Olycentro is actually the parent corporation, and Centro is one of the five trade names.

### **Unsupported claims about Jim Cooper's role in another Hyer corporation -**

A February 13, 2015 ThurstonTalk [article](#), submitted by Centro, identifies Jim Cooper as a Board member and a spokesman for the "Centro" Board of Directors.

*Says Cooper, newest member of the Board of Directors, "Centro is committed to downtown Olympia and a thriving retail environment. While we are closing some operations-we are not closing the operation, or our commitment to downtown."*

Elsewhere in that article, Jim Cooper spoke proprietarily about Olycentro's business ventures. About "The Bike Stand," another trade name under Olycentro:

*"Until we have sufficient working capital to do it right, and have the best bike shop in the region-anything less is a disservice to customers and our valued staff," says Cooper.*

This article, as submitted by Centro, has been online for eleven months. Neither ThurstonTalk, Centro nor Cooper have made any corrections or retractions of anything in the article.

The Washington Secretary of State and the Washington Department of Revenue show no record of Jim Cooper ever having any kind of board membership or any kind of authority for Hyer's Olycentro or Centro—just as they show no record of Cooper being an officer of Hyer's Olympia Gear Supply, as he claims as a credential of his candidacy for Thurston County Commissioner.

Olycentro's latest annual report to the Secretary of State, submitted on March 23, 2015, did not show Jim Cooper having any role in the corporation. This report was submitted to SOS one month after the ThurstonTalk article that identified Cooper as the "newest member of the Board of Directors." The Olympia Gear Exchange LLC had not been formed yet, which also does not show Cooper in any role.

**RCW 49.44.040:**

*Every person who shall obtain employment or appointment to any office or place of trust, by color or aid of any false or forged letter or certificate of recommendation, shall be guilty of a misdemeanor.*

**2. Jim Cooper’s proprietary statements about Olycentro’s various business entities create a tangible and visible connection between him, Joe Hyer, and Olycentro’s activities.**

**This is despite the fact that neither Jim Cooper’s nor Centro’s claims about his directorship with either Olympia Gear Exchange or Olycentro are supported by Secretary of State records.**

On April 26, 2010, KIRO TV [quoted Joe Hyer](#) after his guilty plea for felony drug dealing:

"I will spend the rest of my life making atonement. Good deeds you can do in the future to make up for what you did wrong, and that's what I want to focus on now," Hyer said.

**Atonement through securities fraud -**

On December 5, 2014, the Washington Department of Financial Institutions (DFI) filed charges against Joe Hyer and Olycentro Inc. for violation of RCW 21.20, the state’s Securities Act.

Under the Act’s “Fraudulent and Other Prohibited Practices,” [RCW 21.20.010](#) states:

*It is unlawful for any person, in connection with the offer, sale or purchase of any security, directly or indirectly:*

- (1) To employ any device, scheme, or artifice to defraud;*
- (2) To make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading; or*
- (3) To engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.*

Based on DFI's uncontested charges, Hyer apparently created his Olycentro investment scam to help pay off the \$800,000 debt he had accrued from his earlier failed venture, Alpine Experience, which shut down one week before Centro opened.

According to DFI, Olycentro investors were fraudulently induced into investing in Hyer's new group of businesses, which included Centro and Olympia Gear Exchange at the time of these charges.

These investors weren't told that Hyer needed money to pay off his leftover debt—or that Hyer had no valid reason to state that his new corporation would be the success that he claimed in his investment inducements. Hyer also had no valid reason to claim that he could pay investors the large dividends he used as an inducement. DFI reported that Hyer broke other state securities laws, as well.

On April 20, 2015, Joe Hyer and Olycentro Inc. accepted a Consent Order by the Washington Department of Financial Institutions for violating the Washington Securities Act. By accepting this Consent Order, Hyer waived his right to a hearing or a judicial review. He didn't contest the charges.

Hyer's acceptance of this Consent Order occurred almost five years to the day after he had pleaded guilty to felony drug dealing, and made his statements about his atonement through future good deeds.

Two and a half weeks after his uncontested DFI Consent Order, Hyer resurrected "Alpine Experience" as a trade name under Olycentro, even though there is no longer a business by that name, and Hyer has no stated plans to bring back that business.

That was also the same day that Hyer first registered "Olympia Gear Exchange" under Olycentro, as well—after nine months of operating that business without any kind of a license.

**Jim Cooper's happy talk in the media, as Joe Hyer's business representative, ignored the charges against Hyer and Olycentro—two and a half months after they had been busted.**

Two and a half months after securities fraud charges had been filed against Joe Hyer and Olycentro, Jim Cooper publicly made enthusiastic statements about the purpose and future goals of Olycentro's business ventures.

Cooper made these statements as the representative of Olycentro’s various ventures, in the February 13, 2015 ThurstonTalk article, which was submitted by Centro.

Cooper’s enthusiastic statements occurred about halfway between the publication of DFI’s uncontested charges against Hyer and Olycentro, and Hyer’s acceptance of the Consent Order to Cease and Desist.

In that February 13, 2015 article, Jim Cooper made no mention of the charges that had been filed against Hyer and Olycentro. His quotes were all ponies and rainbows.

RCW 19.86 is Washington’s Unfair Business Practices—Consumer Protection Act.

[RCW 19.86.020](#) states:

*Unfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce are hereby declared unlawful.*

There appears to be no available public statement by either Joe Hyer or Jim Cooper, acknowledging the uncontested DFI charges or the Consent Order.

There appears to be no mention of victims, and no talk of atonement and future good deeds this time around.

Instead, Jim Cooper is using his connection to Joe Hyer’s latest “business activities” as a credential for his qualifications to be Thurston County Commissioner.

RCW 9A.60 is Washington’s fraud law.

[RCW 9A.60.040](#) states:

*Criminal impersonation in the first degree.*

*(1) A person is guilty of criminal impersonation in the first degree if the person:*

*(a) Assumes a false identity and does an act in his or her assumed character with intent to defraud another or for any other unlawful purpose; or*

*(b) Pretends to be a representative of some person or organization or a public servant and does an act in his or her pretended capacity with intent to defraud another or for any other unlawful purpose.*

*(2) Criminal impersonation in the first degree is a class C felony.*

**RCW 9A.60.050** states:

*False certification.*

*(1) A person is guilty of false certification, if, being an officer authorized to take a proof or acknowledgment of an instrument which by law may be recorded, he or she knowingly certifies falsely that the execution of such instrument was acknowledged by any party thereto or that the execution thereof was proved.*

*(2) False certification is a gross misdemeanor.*

**3. According to the Washington Department of Revenue, the Olympia Gear Exchange illegally operated without a state business license or a dba registered trade name from September 16, 2014 until May 8, 2015—nearly nine months.**

According to a [September 15, 2014 ThurstonTalk article](#) submitted by Centro, the Olympia Gear Exchange opened to take consignment products on September 16, 2014, and had its Grand Opening on September 26, 2014.

Neither ThurstonTalk nor Centro has published any corrections to this article in the sixteen months that it has been online.

Olympia Gear Exchange operated as part of Olycentro from May 8, 2015 until October 8, 2015, when it became its own LLC. Olympia Gear Exchange is still listed as a trade name under Olycentro, as well as under Olympia Gear Exchange LLC.

Jim Cooper has been identified by Centro as being on the “Centro” Board of Directors, as well as their spokesman, during the nine months that Olympia Gear Exchange operated without any kind of a Washington business license.

**RCW 82.32.290:**

*Unlawful acts—Penalties.*

*(1)(a) It is unlawful:*

*(i) For any person to engage in business without having obtained a certificate of registration as provided in this chapter;*

*(ii) For the president, vice president, secretary, treasurer, or other officer of any company to cause or permit the company to engage in business without having obtained a certificate of registration as provided in this chapter.*

**RCW 82.32.655:**

***Tax avoidance.***

*(1) It is the legislature's intent to require all taxpayers to pay their fair share of taxes. To accomplish this purpose, it is the legislature's intent to stop transactions or arrangements that are designed to unfairly avoid taxes.*

- 4. From March 7, 2014 until the present, none of the businesses associated with Olycentro Inc. appear to have had a City of Olympia business license, according to Washington Department of Revenue records.**

**Three of the businesses—Centro, The Bike Stand, and The Olympia Footwear Company became registered with Department of Revenue under Olycentro on March 7, 2014. Olympia Gear Exchange and Alpine Experience became registered under Olycentro on May 8, 2015.**

**When Olympia Gear Exchange became its own LLC in October 2015, it got a City of Olympia business license after four days. However, Olympia Gear Exchange had apparently already operated for nearly thirteen months with no City of Olympia business license. Most of that time, the Olympia Gear Exchange had operated with no Washington business license, either.**

**On January 5, 2015, a Centro/Olympia Gear Exchange employee said that Olympia Gear Exchange was part of Centro, and that the inventory in the retail store included both Centro inventory and Olympia Gear Exchange inventory. He said that the new products were Centro, and the used products were Olympia Gear Exchange.**

**Most of the store inventory appeared to be used products, with small sections of new products distributed around the store. There were no signs that stated which inventory belonged to which business.**

**Therefore, some of the store inventory was covered by an Olympia business license, and some of it was not.**

According to their various media articles, Olycentro has operated four of its businesses at various time during the period from March 7, 2014 to the present—Centro, Olympia Gear Exchange, The Bike Stand, and The Olympia Footwear Company. This information is also included in articles submitted by Centro to ThurstonTalk.

According to the February 2015 ThurstonTalk article about Olycentro’s liquidation and moving sale, Centro reported that The Bike Stand and The Olympia Footwear Company would begin liquidating their inventory and shutting down operations for the time being, although both companies could return in the future.

The primary source of this information in the article was identified as Jim Cooper.

In that same article, Centro stated that “our Retail Bazaar” would also be moving to a smaller location, along with Centro and Olympia Gear Exchange. Department of Revenue does not show an entity called “Retail Bazaar” under Olycentro or any other UBI in Olympia.

**Olympia Municipal Code 5.02.005:**

*A. No person may conduct business within the City without first obtaining an approved City business license. The license required by this chapter is in addition to any regulatory license that may be required by another chapter within Title [5](#) OMC.*

*B. The business license is not transferable. A business owner acquiring an existing business in the City must obtain a new, approved license for that business. Each separate physical location operated by a business inside the City must be licensed separately and be approved by the City before business may commence at that location. No fee will be charged for additional locations. A change of physical location of a business inside the City will require approval by the City before business may commence at the new location, and may require the filing of a new State of Washington Business License Application and/or a new City of Olympia Business*



*License Application. If two or more businesses operate at the same physical location, each business must obtain a license.*

*C. The issuance and renewal of business licenses shall be done by the State of Washington Department of Revenue Business License Service (BLS) in coordination with the City.*

*D. The business license document issued by the Business License Service must be posted in a conspicuous place on the premises identified on the license.*

**Olympia Municipal Code 5.02.070 states the penalties for not having a business license:**

*A. Any person, firm, or corporation who knowingly violates or fails to comply with any term or provision of this chapter shall be deemed to have committed a misdemeanor, and if found guilty, shall be subject to a fine not to exceed **One Thousand Dollars (\$1,000), and/or to imprisonment not to exceed ninety (90) days or to both such fine and imprisonment. Each day shall be a separate offense.** In the event of a continuing violation or failure to comply, the second and subsequent days shall constitute a gross misdemeanor punishable by a fine not to exceed Five Thousand Dollars (\$5,000) and/or imprisonment not to exceed three hundred and sixty-five (365) days or both such time and imprisonment. Continuing violation shall mean the same type of violation which is committed within a year of the initial violation.*

*B. As an additional concurrent penalty, it shall be a civil infraction for a person, firm, or corporation to violate or fail to comply with any term or provision of this chapter. Each day shall be a separate infraction. A person, firm, or corporation found to have committed a civil infraction shall be assessed a monetary penalty as follows:*

- 1. First offense: Class 3 (\$50), not including statutory assessments.*
- 2. Second offense arising out of the same facts as the first offense: Class 2 (\$125), not including statutory assessments.*
- 3. Third offense arising out of the same facts as the first offense: Class 1 (\$250), not including statutory assessments.*

Based on information from the Washington Department of Revenue and unretracted information provided by Centro to the media, it appears that Joe Hyer and anyone else responsible for Olycentro's businesses could potentially face a fine of approximately \$1,765,000.00, and potentially face 435 years in jail.

### **Community Risks Associated with Joe Hyer's Various Business Ventures -**

It is hard for the average person to fathom why anyone would choose to associate with Joe Hyer, even in secret. Dirt has a way of rubbing off.

It is even more unfathomable why an elected official would publicly claim to be associated with Hyer, and use that association as a credential for a higher office.

It is simply impossible to fathom why a public official would claim associations with Joe Hyer that didn't even exist.

Joe Hyer has proven himself to be a criminal, a swindler and a cheat since his felony conviction for drug dealing nearly six years ago. These are hardly signs of atonement and good deeds.

Those outside of his inner circle have no idea how long he may have been committing crimes before he got caught in 2010. Those inside his inner circle aren't talking.

And within that inner circle, those who have power and clout appear to be helping Hyer follow his latest path.

Hyer's business entities and activities show a pattern that has multiple red flags for potential money laundering.

Drug dealers make money off of vagrancy and homelessness, like the kind that has plagued downtown Olympia for decades. Olympia's heroin epidemic is exploding, with insufficient resources to deal with it.

Money launderers make money off of drug dealers. It's a sad truth.

It is also sad that known criminals like Joe Hyer can still maintain a foothold in their local governments. Proxies appear to work just fine for them.

If Olympia voters are happy with all of this, then that is their choice. But many have publicly expressed that they no longer feel safe to live and work around downtown Olympia, including Olympia's own city employees. Visitors are afraid to return. People are afraid to stroll.

Thurston County has the right to try to stop scourges from spreading outward.  
To stop this kind of trouble, you have to know where it is, and what is causing it.

Thank you for your time.

Sincerely,

*Melissa Genson, CPA/CIA*

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