

SPECIAL VALUATION AGREEMENT

THIS SPECIAL VALUATION AGREEMENT is effective as of the date of the last authorizing signature affixed hereto. The parties ("Parties") to this Agreement, hereinafter referred to as "AGREEMENT," are **Urban Olympia 4 LLC**, hereinafter referred to as "APPLICANT," and the **Olympia City Council**, hereinafter referred to as "LOCAL REVIEW BOARD."

WHEREAS, the APPLICANT is the owner of record of the historic property located at **317 4th Ave. E, Olympia, Washington**, as more fully described in Exhibit A, attached hereto and incorporated herein by this reference, hereinafter referred to as "PROPERTY;" and

WHEREAS, the APPLICANT has requested special valuation of the PROPERTY pursuant to Chapter 84.26 RCW; and

WHEREAS, the local REVIEW BOARD has determined that the PROPERTY has been substantially rehabilitated within the two-year period preceding the date of application; and

WHEREAS, the local REVIEW BOARD has determined that approved costs of said rehabilitation are One Million Seven Hundred Sixty-three Thousand Two hundred and Seventeen Dollars and Thirty-four cents (**\$1,763,217.34**) equaling or exceeding twenty-five percent (25%) of the assessed valuation of the PROPERTY to the improvements; and

WHEREAS, the LOCAL REVIEW BOARD has verified that the PROPERTY is a historic property which falls within a class of properties determined eligible for special valuation by local ordinance or administrative rule; and

WHEREAS, the LOCAL REVIEW BOARD finds the rehabilitation work has not altered the property in any way which adversely affects those elements which qualify it as historically significant;

NOW, THEREFORE, in consideration for the mutual covenants contained herein, the APPLICANT and the LOCAL REVIEW BOARD agree as follows:

1. The LOCAL REVIEW BOARD hereby determines that the property described on the attached Exhibit A qualifies for special valuation under Chapter 84.26 RCW.
2. The APPLICANT agrees to comply with the U.S. Secretary of the Interior's Standards for Rehabilitation as set forth in Exhibit B, which is attached hereto and by this reference incorporated herein.
3. The APPLICANT agrees the PROPERTY shall not be altered without the prior written consent of the LOCAL REVIEW BOARD signed by a duly authorized representative thereof. No construction, alteration or remodeling or any other action shall be undertaken which would affect the historic character of the PROPERTY which classifies it as eligible for special valuation, or which would affect the appearance of the PROPERTY as depicted in the photographs attached hereto and incorporated herein by this reference as Exhibit C, or which would adversely affect the structural soundness of the property; provided, however, that the reconstruction, repair, repainting or refinishing of presently existing parts or elements of the PROPERTY subject to this AGREEMENT, damage to which has resulted from casualty loss, deterioration or wear and tear, shall be permitted without the prior approval of the LOCAL REVIEW BOARD, provided that such reconstruction, repair, repainting, or refinishing is performed in a manner which will not alter the appearance of those

elements of the PROPERTY subject to this AGREEMENT as they are as of this date. Exterior changes which shall require the consent of the LOCAL REVIEW BOARD shall include, but not be limited to, any substantial structural change or any change in design, color or materials.

4. The APPLICANT agrees the PROPERTY shall not be demolished without the prior written consent of the LOCAL REVIEW BOARD.
5. The APPLICANT agrees to make historic aspects of the PROPERTY accessible to the public one day each year if the PROPERTY is not visible from a public right-of-way.
6. The APPLICANT agrees to monitor the PROPERTY for its continued qualification for special valuation and notify the Thurston County Assessor within thirty (30) days of PROPERTY disqualification because of:
 - a. a loss of historic integrity;
 - b. sale or transfer to new ownership exempt from taxation; or
 - c. sale or transfer to new ownership which does not intend to agree to the terms of this AGREEMENT nor file a Notice of Compliance form with the Thurston County Assessor.
7. The APPLICANT and LOCAL REVIEW BOARD both agree that there shall be no changes in standards of maintenance, public access, alteration, or report requirements, or any other provisions of this AGREEMENT during the period of the classification within the approval of all parties to this AGREEMENT.
8. Terms of the Agreement. This AGREEMENT shall take effect immediately upon signature and remain in effect until the property is no longer eligible for special valuation either through disqualification under RCW 84.26.080 or upon expiration of the ten-year period of special valuation commencing **January 1, 2022 and ending December 31, 2031**.
9. Hold Harmless. The APPLICANT or its successors or assigns shall hold the State and LOCAL REVIEW BOARD harmless from any and all liability and claims which may be asserted against the State and LOCAL REVIEW BOARD as a result of this AGREEMENT or the participation by the APPLICANT in the Special Valuation Program.
10. Governing Law. The terms of this AGREEMENT shall be construed in accordance with the laws of the State of Washington.

Walker John
Walker John
Managing Member/Owner/Applicant
Date: 11/23/2021

Steven J. Burney, City Manager
Olympia City Council as Local Review Board
Date: _____

Approved as to form:

Mark Barber
City Attorney

Attachments:

- Exhibit A: Property Description
- Exhibit B: US Secretary of the Interior's Standards for Rehabilitation
- Exhibit C: Contemporary and Historical Photographs

EXHIBIT A
LEGAL DESCRIPTION
AND
PROPERTY HISTORY/DESCRIPTION

Abbreviated Legal:

Section 14 Township 18 Range 2W Quarter NE SW Condominium WARD BUILDING
CONDOMINIUM UNIT 1 BASEMENT, UNIT 2 FIRST FLOOR, UNIT 3 SECOND FLOOR, UNIT 4
THIRD FLOOR – DOCUMENT 3901493

Assessor's Tax Parcel Nos.: 82210000100, 82210000200, 82210000300, 82210000400

Property History/Description:

317 4th Ave. E.
Olympia WA 98501
Montgomery Ward Building, 1928

The Wards Building has long been a part of the mercantile history in Olympia. One of the first chain stores to locate here, the Montgomery Ward store was a catalog outlet for many years. In the early 1960's the building was used by the Olympia School District for the original Olympia Vocational Technical Institute, forerunner to South Puget Sound Community College. While the exterior was maintained largely intact, interiors were extensively renovated for this and subsequent commercial uses.

The building is individually listed on the Olympia Heritage Register.

This is a rectangular, two-story concrete building with a basement and interior, central skylight that allows natural light into a central atrium. Original structural beams have been exposed, and salvaged wood from partial interior demolition was used to build new interior stair treads in the central atrium.

Its brick-faced north façade is topped by a stepped and arched Mission Revival parapet and edged with decorative brickwork. The upper story has three bays separated by engaged pilasters, containing wide tripartite windows with rectangular transoms. The ground floor has wood and glass storefronts with original tile bulkhead or kickplate below and transom windows above, which have been preserved. The small glass tiles of the original transom windows have been replaced in this rehabilitation while retaining the size and shape of the window openings. A tile mosaic and the entry floor was partially removed to allow for ADA accessible entry. Some of the original tile has been left visible and undisturbed.

EXHIBIT B

U.S. Secretary of the Interior's Standards for Rehabilitation

1. A property will be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships.
2. The historic character of a property will be retained and preserved. The removal of distinctive materials or alteration of features, spaces, and spatial relationships that characterize a property will be avoided.
3. Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other historic properties, will not be undertaken.
4. Changes to a property that have acquired historic significance in their own right will be retained and preserved.
5. Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.
6. Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature will match the old in design, color, texture, and, where possible, materials. Replacement of missing features will be substantiated by documentary and physical evidence.
7. Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.
8. Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.
9. New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work will be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.
10. New additions and adjacent or related new construction will be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

EXHIBIT C
PROJECT PHOTOS

Historic Photos - Ward's building



Façade, Before and After



Entry, before and after. Tile photos have been preserved.



Entry windows rehabilitated







