

INTERLOCAL AGREEMENT
Re SALE OF PARCEL A
between
THE CITY OF OLYMPIA
and
THE WASHINGTON
DEPARTMENT OF FISH AND WILDLIFE

RECITALS

1.1 This Interlocal Agreement (IA) is made and entered into by and between the City of Olympia (City) and the Washington Department of Fish and Wildlife (WDFW), pursuant to Chapter 39.34 RCW, the Interlocal Cooperation Act.

1.2 WDFW owns Parcel A (33,000 sf) 600 Capitol Way N, which is located in close proximity to Budd Inlet and the Farmer's Market in downtown Olympia, Washington. The Parcel contains a 14,500 sf building currently used for office space by WDFW. The Parcel is an area zoned as Urban Waterfront. That zoning district is oriented to multiple uses, which include retail, restaurants, offices, and residences. The building height limit is 65 feet. Parcel A was included on a property disposal list that Governor Gregoire issued in 2010. WDFW requires that it receive fair market value for any sale of Parcel A. WDFW intends to use the Department of Enterprises Services (DES) as its consultant for purposes of any sale.

1.3 The City desires that Parcel A be developed in a manner that best advances its vision for the future of the downtown urban waterfront district. That vision is more specific than that contained in the Urban Waterfront designation because it includes a component of housing and ground floor retail. The City has communicated to WDFW its interest in collaborating on any sale of the Parcel A so that a new owner would develop the property in a manner consistent with that vision.

AGREEMENT

In furtherance of the sale and development of Parcel A in manner that is consistent with the City's vision and WDFW's requirement of fair market value, WDFW and the City agree as follows:

2.1 The City shall diligently pursue obtaining grant funding to pay for a Phase II environmental site assessment ("Phase II") of Parcel A. Upon receipt of such funding, the City shall work to have the Phase II completed as soon as possible. The City shall direct that the Phase II contractor provide copies of all draft and final Phase II reports to WDFW and DES, and the City shall provide such reports to WDFW and DES if the contractor fails to promptly do so. The Phase II contract shall allow WDFW full rights to use all Phase II reports for any purpose including but not limited to providing copies to prospective purchasers. If the Phase II is not completed within ninety (90) days of the effective date of this IA, this IA shall terminate as of that date; provided WDFW may, in its sole discretion, extend that deadline to a later date by providing written approval prior to termination.

2.2 WDFW shall allow the Phase II contractor and subcontractors reasonable access to Parcel A for the purpose of testing and other investigation required by the Phase II, provided: (1) such access is scheduled with WDFW to occur to the extent possible outside of WDFW business hours; (2) all investigations and testing avoid and minimize to the extent possible any disruption of WDFW business activity and any damage to the land or building or other improvements; and (3) any damage is promptly repaired to a condition at least as good as the preexisting condition. WDFW shall also cooperate in providing any records it holds that the contractor needs for the Phase II.

2.3 The City agrees that within 21 days after the completion of the Phase II, it shall develop and provide WDFW and DES a draft Request for Proposals (RFP) for the purpose of soliciting offers for purchase of Parcel A. Such RFP shall contain (1) proposed restrictive covenants and/or other provisions designed to ensure development of Parcel A is consistent with the City's vision for Parcel A; (2) minimum terms for the purchase, including the responsibilities to which an apparent successful proposer must agree; (3) guidelines for submittal; and (4) information and documentation required in all proposals. Along with the RFP, the City shall provide a marketing plan to reach and communicate with developers who may be interested in the proposal. Within 21 days of receipt of such drafts, WDFW and DES shall provide comments and requested revisions. If issues with respect to the contents of the RFP or marketing plan remain, the City and WDFW shall work in good faith to resolve them, including, if necessary, elevation to the WDFW director, or the director's designee, and the City Manager. However, if remaining issues are not resolved within 30 days of the City's receipt of WDFW and DES comments/revisions, either party upon 10 days written notice may withdraw from the IA. The RFP shall direct the proposer to send copies of proposals to WDFW, DES, and the City, and inform the proposer that WDFW shall have the right in its sole discretion to accept, reject, or counteroffer any proposal made for purchase of Parcel A.

2.4 If the parties agree upon a RFP and marketing plan, the City shall thereafter diligently advertise the RFP to the public and developers as provided in the marketing plan and manage the RFP process. The City shall keep WDFW and DES regularly informed about all developments.

2.5 WDFW shall have the right in its sole discretion to accept, reject, or counter-offer any proposal or other offer received, provided any contract for purchase entered prior to the termination of this IA shall be subject to the restrictive conditions set forth in the RFP unless the City and WDFW agree in writing to a modification of such conditions.

2.6 The City reserves the right to submit a proposal itself and or to participate in any proposal at any time in the process.

2.7 If the RFP process has not produced an executed contract to purchase Parcel A by September 1, 2013, any time thereafter WDFW may give the City written notice that it is withdrawing and terminating from the IA. If WDFW terminates this IA after September 1, 2013, the City agrees that it will take no legal action in any court to oppose or prevent WDFW from selling Parcel A under any conditions.

2.8 This IA shall be effective on the date the signed document is posted on the City's website, provided both parties must sign by November 15, 2012 or the IA shall be of no effect. The City shall promptly post the signed document after receipt.

GENERAL PROVISIONS

3.1 Amendment. This IA may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by persons authorized to bind each of the parties.

3.2 Waiver. A failure by either party to exercise its rights under this IA shall not preclude that party from subsequent exercise of such rights and shall not constitute a waiver of any other rights under this IA unless stated to be such in a writing signed by an authorized representative of the party.

3.3 All writings contained herein. This IA contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this IA shall be deemed to exist or to bind any of the parties hereto.

IN WITNESS WHEREOF, the parties have executed this IA.

State of Washington Department of
Fish and Wildlife

City of Olympia

Phil Anderson, Director
Date:

Stephen H. Buxbaum, Mayor
Date:

Approved as to form only:

Approved as to form only:

By: _____
Assistant Attorney General
Date:

By:  _____
City Attorney
Date: