



August 29, 2018

Mr. Leonard Bauer  
City of Olympia | CP&D  
PO Box 1967  
Olympia, WA 98501-1967

CC: City of Olympia Historic Preservation Officer; City of Olympia Heritage Commission; Todd Cunningham

**RE: 403 S. Capitol Way (Schoenfeld/Goldberg) Building Demolition**

Dear Mr. Bauer,

We are writing you to provide an explanation on why the demolition of the Schoenfeld/Goldberg building, located at 403 S. Capitol Way, is the preferred option for the expansion of Olympia Federal Savings' downtown Olympia headquarters. After acquiring the building in 2009, Olympia Federal Savings (Oly Fed) began considering the expansion of their downtown headquarters located at 421 S. Capitol Way. Oly Fed has been headquartered on this same downtown Olympia block for over 100 years, and it is their desire to be there for the next 100 years.

In 2015, Oly Fed hired Thomas Architecture Studios (TAS) to study their current and future needs. TAS has been a key partner in rehabilitating other historic buildings within Olympia. These included 600 Franklin Street SE, 512 12<sup>th</sup> Avenue SE, 522 Franklin Street SE, 109 Capitol Way S, and 525 Columbia Street SE. Over the course of four months, members of the TAS team toured existing facilities, reviewed previous studies, drawings and historical documents, and created new CAD-based documents for both the 421 and 403 Capitol Way buildings. TAS hired Jennifer Schreck to provide us with a summary of the building's history and a review of historical preservation options for adaptive reuse as it was the preferred option due to potential cost savings.

TAS developed space programs for each existing department and helped to forecast space and programming needs, both short term and long term, for desired or anticipated departments and services. The staffing and building area totals from this study provided the basis for the development options. After programming information was collected and existing conditions were documented, an analysis of the land use planning influences unique to the site within the City of Olympia were identified in an effort to customize the development options to meet both the short term (5 – 10 year) and long term (50 years and beyond) needs of Olympia Federal Savings. From this information, five different development options were studied.

**Options 1 and 1A:** Adaptive reuse of existing Headquarters Building and former Goldberg's Building. Option 1A included two-story infill construction between 421 and 403.

**Option 2:** Adaptive reuse of existing Headquarters Building, demolition of the former Schoenfeld/Goldberg's Building and the construction of a new Class 'A', LEED Gold (targeted) five-story building in the place of the Goldberg Building and existing surface parking lot.

**Options 3 and 3A:** Demolition of both the existing Headquarters Building and the former Schoenfeld/Goldberg's Building. Construction of a new 6-8 story Class 'A', LEED Gold (targeted) mixed use building, (with and without residential) including structured parking, which covers the entire half-block site owned by Olympia Federal Savings.

### **Option 1 and 1A**

Adaptive Reuse of Existing Headquarters Building and Former Goldberg's Building. Option 1A included two-story infill construction between 421 and 403.

#### **Option 1 and 1A Advantages:**

- Total Project Budget: low in cost relative to the Options that follow. ***This is only a short term benefit.***
- Customer Service: same location, very little inconvenience in construction phasing.
- Project Phasing: 403 and the new infill building could be fully built out, staff shifts, and then 421 can be renovated.
- Historic Preservation: ***viewed positively*** re: mid-century modern architecture.
- Retail Lease Space: 3,910 SF of new retail space in the 403 building.
- Possible Community Reaction: glad for the 403-building redevelopment, indifferent regarding the infill building or the restoration of 421.
- Customer parking: 19 surface parking spaces.
- Sustainable Building Features: adaptive reuse of existing structures is a positive first step.
- Transit, Pedestrian, Bicycle & ADA Access to Site: very good for all.

#### **Option 1 and 1A Disadvantages:**

- Program needs: current short-term needs can be met in this Option; however, ***poor working environment for bank staff.***
- Floor to floor heights are inadequate. ***Connection between buildings is inefficient***
- Building foundations are inadequate for future expansion. ***Isolated between building***
- Program needs (long term expansion): ***cannot be met in this Option.***
- Short Term Solution: results in a 30 +/- year solution.
- Staff Parking: ***None provided.***

### **Option 2 (selected option)**

Adaptive Reuse of Existing Headquarters Building, demolition of the former Schoenfeld/Goldberg's Building and the construction of a new Class 'A', LEED Gold (targeted) five-story building in the place of the Goldberg's Building and existing surface parking lot.

#### **Option 2 Advantages:**

- Total Project Budget: the middle ground when comparing potential budgets for all five Options.
- Program needs (short term): ***this Option will meet all short-term program needs.***
- Program needs (long term): ***will meet the Bank's long-term program needs.***
- Project Phasing: 403 demolished, new building built in its place, bank staff shifts, 421 renovated.
- Historic Preservation: reuse of 421 viewed positively re: mid-century modern architecture.
- Possible Community Reaction: glad for the 421 redevelopment, disappointment that 403 couldn't be redeveloped, and appreciation for the new 50,416 SF office building.
- Customer parking: 21 surface parking spaces within the new building.

- Sustainable Building Features (existing): adaptive reuse of existing structure is a positive first step.
- Sustainable Building Features (new): many opportunities will be available in a building this size.
- Transit, Pedestrian, Bicycle, & ADA access to site: very good for all.

#### Option 2 Disadvantages:

- Parking: Bank staff, Office Lease staff & visitors, and retail visitors: **none provided. This would compromise the marketability of the office lease space.**
- Customer Parking During Construction: minimal parking available during the initial phase of construction (7 existing spaces below 421 building).

#### Option 3 and 3A

Demolition of both the existing Headquarters Building and the former Schoenfeld/Goldberg's Building. Construction of a new 6-8 story Class 'A', LEED Gold (targeted) mixed use building, (with and without residential) including structured parking, which covers the entire half-block site owned by Olympia Federal Savings.

#### Option 3 and 3A Advantages:

- Program needs: **meets all short and long-term program needs.**
- Total Project Budget: the costliest all five Options presented; however, could be considered the **best long-term investment** as it addresses bank needs for the next 50+ years.
- Possible Community Reaction: disappointment that 403 & 421 could not be redeveloped, **appreciation** for the new 186,730 SF mixed use building (**assuming a high level of design & construction is accomplished that is sensitive to the surrounding Downtown Olympia Historic District**).
- Parking: Banking Staff & Visitors, Office Lease Staff & Visitors, Retail Visitors, and Housing: **nearly all required parking provided.**
- Growth Management & Community Impact: mixed uses & density will benefit adjacent downtown businesses.
- Sustainable Building Features: many opportunities will be available in a building this size.
- Sustainable Site Features: good solar exposure, utilizes existing infrastructure, significant density & mix of uses.
- Transit, Pedestrian, Bicycle, & ADA Access to Site: very good for all.

#### Option 3 and 3A Disadvantages:

- Total Project Budget: **the costliest all five Options presented.**
- Customer Service: inconvenient during construction.
- Project Phasing: best solution would be **temporary (off site) relocation of 421 building staff & services.**
- Historic Preservation: **disappointment** that a solution couldn't be found to retain at least one of the "mid-century modern" buildings.
- **Building Height & Massing:** some will consider 6 floors (72' +/-) to 8 floors (96' +/- tall) of new construction to be too massive for the Downtown Olympia Historic District.

In Summary, although the adaptive reuse Options 1 and 1A of the existing building at 403 S. Capitol Way provide the necessary space requirements in the short term, future improvements would be required which the building would not be able to facilitate. Further complications arise due to the need for bank staff to be able to migrate between the two buildings with varying floor heights. Expansion on the existing building is unobtainable without substantial and cost prohibitive improvements to the buildings foundation and structural systems. Options 3 and 3A were deemed too costly for the bank to pursue. However, future expansion is desired and

therefore, Option 2 above became the chosen option. Option 2 allows for the construction of a new building on the footprint of the existing 403 S. Capitol Way building. This new building will facilitate Oly Fed's current and future program needs. It allows for the preservation/renovation of the existing iconic midcentury modern 421 S. Capitol Way building, and the ability to plan for future expansion by upsizing the structural system. Although demolishing the Schoenfeld/Goldberg building will remove an example of mid-century architecture from downtown Olympia, the new building will address the pedestrian core in a much more effective manner than the 1940s building and provide a better working environment for Oly Fed's staff both now and in the decades to come. Helping to ensure the capacity of the site within the downtown core will help to ensure another successful 100 years of service from Oly Fed to Downtown Olympia and surrounding communities. It is our full intent to create a historically significant building for future generations on this significant downtown Olympia block. We therefore solicit the support of the City of Olympia Community Planning Department, Historic Preservation Officer, and the Heritage Commission for the removal of the Schoenfeld/Goldberg building located at 403 S. Capitol Way.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Josh Gobel', with a stylized, looping flourish at the end.

**Josh Gobel**, Assoc. AIA, Project Manager

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