



October 10, 2018

TO: Olympia Heritage Commission

FROM: Leonard Bauer, Deputy Director, Community Planning & Development *LB*
Mike Reid, Economic Development Director

SUBJECT: Proposed City Acquisition of Buildings at 112 & 116 - 4th Ave W

Heritage Commission Chair Kat Kelly requested that information be provided to Commissioners regarding the City's consideration of acquiring property on 4th Avenue in Downtown Olympia, which is listed as a contributing structure in the Olympia Downtown Historic District.

On September 25, 2018, the City of Olympia Council unanimously approved a resolution to allow the City Manager to enter into a Real Estate Purchase and Sales Agreement (REPSA) for the two buildings occupying the property commonly referred to by the businesses that have historically occupied them: The Great Indian Cuisine and Ben Moore's. The City has not purchased the property yet, as a primary component of the REPSA is a contingency that allows the City to take 60 days to further investigate the property.

The City Council's purpose for considering this acquisition is that owning these two properties would provide the City ownership of a complete half block, which would help accommodate future redevelopment of a multi-story mixed use project that could include commercial, residential, civic, and public parking uses. This contemplated use is consistent with the Comprehensive Plan and Downtown Strategy. During its consideration of the resolution, Councilmembers did note the property's historic significance, and clarified the role of the Heritage Commission in reviewing any future plans for the property.

Questions have been raised by commissioners and others as to why there was not public engagement or involvement with various citizen commissions prior to the action taken by the City Council. In short, the City negotiated the terms of the potential acquisition with the seller in private to protect the City's interest in obtaining fair terms. This is consistent with state law and typical practice at all levels of government. Like an individual's purchase of a house, it is important to negotiate an offer without the knowledge or potential interference of other prospective buyers, which could impede the City's ability to negotiate a fair and market-based transaction.

It is important to note:

- A multi-story development would require an active ground floor use, such as retail or civic use.
- The action by the City Council was not to demolish, redevelop, improve, or otherwise disrupt the structures on site but simply to acquire them. Any development of the site in the future will go through a public and permitting process.

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- The Heritage Commission's role in reviewing any future proposed alterations to the buildings will be a necessary and important aspect of the public process. The Commission's role remains the same whether the property is in public or private ownership.

Please feel free to contact either Leonard Bauer at 360.753.8206, or Mike Reid at 360.753.8591, if you have any additional questions.

Cc: Katie Pruitt, Associate Planner & Neighborhood Liaison
Stacey Ray, Senior Planner
Jennifer Schreck, Historic Preservation Consultant