



City Council

Approval of a Resolution Authorizing a Listing Agreement with Kidder Matthews for 1305 Cooper Point Rd - West Olympia Commercial Property

Agenda Date: 6/9/2020
Agenda Item Number: 4.B
File Number:20-0433

Type: decision **Version:** 1 **Status:** Passed

Title

Approval of a Resolution Authorizing a Listing Agreement with Kidder Matthews for 1305 Cooper Point Rd - West Olympia Commercial Property

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve a resolution authorizing the City Manager to sign a listing agreement with Kidder Matthews for the West Olympia Commercial Property located at 1305 Cooper Point Rd. (former West Olympia Landfill site).

Report

Issue:

Whether to approve a resolution authorizing the City Manager to sign a listing agreement with Kidder Matthews to proceed with marketing the West Olympia Commercial Property.

Staff Contact:

Mike Reid, Economic Development Director, Community Planning & Development Department, 360.753.8591

Presenter(s):

None - Consent Calendar Item

Background and Analysis:

The West Olympia Commercial Property is the former West Olympia Landfill site parcel, located at 1305 Cooper Point Rd. The City is currently engaged with the Washington Department of Ecology's (DOE) Model Toxics Control Act (MTCA) cleanup process via Agreed Order No. DE 13797 to remediate the property for eventual commercial development.

The City has received approval of a Remedial Investigation report and review of an Interim Action Plan for the property from DOE and has recently submitted a draft Feasibility Study report to DOE. The Remedial Investigation report characterizes site contamination, and the Interim Action Plan and the Feasibility Study together describe how the property will be remediated to address environmental contamination associated with the site.

The City intends to sell the property for commercial development by a private developer. The developer and the City will adhere to DOE-required remedies for onsite soil/waste/soil gas contamination and sharing certain development costs. (The City has proposed to DOE to retain full responsibility for remediating onsite and any offsite groundwater contamination.)

The Kidder Matthews Listing Agreement is intended to identify a private developer to purchase the property for commercial development. The City is contracting with Kidder Matthews to help with this effort given the uniqueness of the property as a MTCA site undergoing cleanup with specific remediation requirements under an Agreed Order with DOE. DOE's approval of the Remedial Investigation report and review of the Interim Action Plan (attachments) indicate the timing is now appropriate for the City to market the property for sale.

Once purchased, the new owner of the West Olympia Commercial Property will be required to establish their own Agreed Order with DOE to ensure remediation occurs as indicated in the Interim Action Plan. (The next step in the MTCA process for the City is to establish a second Agreed Order with DOE for development of a draft Cleanup Action Plan to ensure groundwater contamination is also addressed as required by DOE.)

Neighborhood/Community Interests (if known):

The City has kept adjacent and other nearby properties informed of site characterization activities on the former landfill site parcel over the past several years.

Options:

1. The Council may move to approve the City Manager to sign the Kidder Matthews Listing Agreement as written. This will enable the City to expedite moving forward to identify a private developer to purchase and commercially develop the property in compliance with DOE's site remediation requirements.
2. The Council may move to approve the City Manager to sign the Kidder Matthews Listing Agreement with specified modifications to the Kidder Matthews List Agreement. This will delay the City's moving forward to identify a private developer to purchase and commercially develop the property.
3. The Council may move to not approve the City Manager's signing of the Listing Agreement. This will delay the marketing and sale of the property which will impact forthcoming revenue to the City from site development activities and future commercial business taxes.

Financial Impact:

The West Olympia Commercial Property activities currently being conducted to comply with the DOE's MTCA cleanup process under Agreed Order are being reimbursed by insurance policy carriers. The Listing Agreement contains a 5% brokerage fee payable to the listing broker upon the successful completion of a property sale.

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Attachments:

Resolution

Agreement

Letter from DOE re: Interim Action Plan

Letter from DOE re: Remedial Action Report