



City Hall  
601 4th Avenue E.  
Olympia, WA 98501  
360-753-8244

## City Council

### Approval for Information Gathering and Analysis Related to Possible Acquisition of the Olympia Armory

**Agenda Date:** 12/8/2020

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

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**Title**

Approval for Information Gathering and Analysis Related to Possible Acquisition of the Olympia Armory

**Recommended Action**

**Committee Recommendation:**

Not referred to a committee.

**City Manager Recommendation:**

Move to direct City staff to move forward with information and analysis to inform future discussion about acquisition of the Armory at 515 Eastside Street SE.

**Report**

**Issue:**

To share with Council the information gathered to date and seek approval to continue to gather information to support Council in considering an option to purchase or otherwise acquire the Armory.

**Staff Contact:**

Keith Stahley, Assistant City Manager, 360.753.8227

**Presenter(s):**

Angel Nava, Arts Program Specialist, Parks, Arts & Recreation

**Background and Analysis:**

An iconic Olympia landmark will soon be on the market. After occupying the Armory building at 515 Eastside St SE for 77 years, the National Guard will relocate to a new facility in February 2021. They leave behind a 50,000 square foot complex sited on a full city block. The main building, designed by the prolific Olympia architect Joseph Wohleb, is a strong example of Art Moderne design.

The disposal of the building will be managed by the Washington State Department of Enterprise Services (DES) following the State Surplus Property process under RCW 43.17.400: *Disposition of state-owned land - Notice to governmental entities - Right of first refusal*. This statute gives priority to

interested governmental agencies and says that the selling agency must give 60 days' notice before offering the building to the private market. The statute has an additional provision giving highest priority to an interested governmental agency that plans to use the property for low income housing or for facilities that support the goals of affordable housing, in related RCW 39.33.015: *Transfer, lease, disposal of public property for affordable housing as a "continuing public benefit."* In either case, the interested governmental buyer must respond within the notice period and reach mutually agreeable terms for transfer within a "reasonable time period."

The sixty-day notice period is expected to begin July 2021.

The City's Arts, Cultures and Heritage (ARCH) team views the Armory as a potential opportunity to achieve many City objectives:

- To fulfill community need for an arts center, as identified in nine different reports spanning over thirty years, and to serve as a creative hub for arts education, workforce development, shared maker spaces, multipurpose events, gatherings, exhibitions, and rehearsals, among other uses.
- To provide the Olympia region a key strategy for rebuilding a strong economy through workforce development and incubator programs for creative organizations & entrepreneurs.
- To build needed low-income housing alongside supportive social programs, utilizing the open space at the location.
- A creative space for community development through the arts and humanities, rooted in an equity and social justice framework.

For decades the Armory has served as a community gathering space, hosting everything from ski-swaps to lunchtime basketball to inaugural balls. Public ownership ensures continued public access and continued community benefit.

Through the State-owned Real Property Disposal process, the City will have an opportunity to acquire the Armory. Recognizing that this opportunity presents tremendous potential and considerable responsibility, more information is needed to support Council's thorough consideration, including financial modeling, space use planning, and exploration of the following:

- Develop an operations plan for the future enterprise and estimate operating costs and revenues.
- Explore and recommend operating models, with a goal of a self-sustaining programming and minimized operating costs.
- Provide comparative data with similar programs around the country.
- Evaluate the building systems and identify immediate needs to make the building operational, as well as necessary future improvements and upgrades.
- Develop a timeline, phasing, and funding plan for conversion of the Armory into a Creative Campus.
- Evaluate the potential for introduction of affordable housing onto the site for artists, workforce and low-income individuals.
- Evaluate the potential for partnership and collaboration with community arts, cultures and heritage organizations.

- Evaluate options for seeking additional revenues through grants, enhancing partnerships and other funding mechanisms.

Local Architect Garner Miller of MSGS Architects has provided renderings pro-bono, to help visualize the transition to a Creative Campus.

**Neighborhood/Community Interests (if known):**

The Eastside Neighborhood Association has identified preservation of the Armory as a community center in their recently adopted sub-area plan (attached).

**Options:**

1. Direct the City Manager to gather information and provide analysis to inform future discussion regarding acquisition of the Armory at 515 Eastside Street SE and return to City Council with a report on these activities in six months.
2. Refer the matter to a Council Committee to gather information and provide analysis to inform future discussion regarding acquisition of the Armory at 515 Eastside Street SE.
3. Direct the City Manager to discontinue activity and take no further steps to gather information related to the potential acquisition of the Armory at 515 Eastside Street.

**Financial Impact:**

To be determined.

**Attachments:**

Armory Creative Campus Concept Plan

Eastside Neighborhood Association Subarea Plan