



City Council

Approval of Exclusive Negotiation Agreement (ENA) with Big Rock Capital Partners, Inc. (BRCP) for redevelopment of the Former Griswold Property

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Title

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Recommended Action

Committee Recommendation:

On October 24, 2016, the Community Economic Revitalization (CERC) approved a recommendation to Council for the selection of Big Rock Capital Partners, Inc. On November 21, 2016, CERC approved the draft Exclusive Negotiation Agreement (ENA) and recommended it be brought to full Council December 6, 2016.

City Manager Recommendation:

Move to approve the Exclusive Negotiation Agreement (ENA) with Big Rock Capital Partners, LLC, and authorize the City Manager to sign the necessary documents.

Report

Issue:

Whether to approve the ENA with Big Rock Capital Partners, LLC.

Staff Contact:

Renee Sunde, Economic Development Director, Community Planning & Development Department

Presenter(s):

Renee Sunde, Economic Development Director
Keith Stahley, Community Planning & Development Director
Leonard Bauer, Deputy Director, Community Planning & Development
Ryan Clintworth, Big Rock Capital Partners, LLC; Garner Miller, MSGS Architects

Background and Analysis:

Following the Council adoption of a Community Renewal Plan on July 11, 2016 the City of Olympia issued a Request for Proposal as part of the continuing efforts to revitalize its downtown in

accordance with the Community Renewal Law in Chapter 35.81 RCW.

The RFP was issued to identify a qualified development partner for the redevelopment of the City-owned parcel located at 308-310 Fourth Ave E, commonly referred to as the former Griswold property with a primary objective to remove blight and create a vibrant mixed-use development.

Two proposals were received by the September 23 deadline. The City's Review Committee (City staff, Mayor Pro Tem Jones and representatives from ECO Northwest, Pacifica Law Group, and the National Development Council) formally recommended to CERC the selection of Big Rock Capital Partners as a qualified development partner.

At the October 24 CERC meeting the committee approved the recommendation to Council to accept the redevelopment proposal recommended by the review committee and requested a briefing of the draft Exclusive Negotiation Agreement (ENA) during the November CERC meeting.

A briefing of the draft ENA was provided to the CERC Committee on November 21 and was approved by CERC in draft form.

The proposed ENA is an agreement between the City of Olympia and Big Rock Capital Partners, Inc. providing a framework for next steps and defining obligations of the developer and the City of Olympia. The agreement allows for the exclusive right to conduct due diligence and negotiations with the City for the sale of the Property and development of the project, for a specified period of time.

The ENA will set forth more detailed understanding and conditions and information that will guide next steps and help to define final terms and conditions of a Purchase and Sale Agreement (PSA) between the City and the Developer. The PSA will be the next opportunity for City Council involvement in the process. Staff will continue to engage the CERC in the process as the ENA period proceeds.

Neighborhood/Community Interests (if known):

Over the past several years there has been significant interest throughout the community in understanding the challenges for downtown development and the tools available to assist in the removal of blight. The adoption of the Community Renewal Area (CRA) Resolution establishing a CRA boundary was an important first step.

Through the work of the Downtown Strategy hundreds of citizens have been engaged in an ongoing effort to plan for the future of Downtown. The former Griswold property is in the heart of Olympia's Entertainment and Artisan Tech character areas and remains a significant blight in the area.

There has been much interest from neighbors and the community at large to support a project that returns the property to economic use and enhances the existing Downtown businesses. The project ideally will contribute to the social, environmental and economic health of the community.

Options:

1. Approve the Exclusive Negotiation Agreement (ENA) with Big Rock Capital Partners, LLC.
2. Direct staff to make changes to the ENA prior to recommendation.
3. Receive the briefing and take no action.

Financial Impact:

The City closed on the subject property with the intent of partnering with the selected development team for redevelopment of the subject property and its return to economic use. The terms of sale will be part of the PSA that will follow the ENA period.

Attachments:

Exclusive Negotiation Agreement (ENA) between City of Olympia and Big Rock Capital Partners, Inc.
Exhibit A - Developer's Response To Request for Proposals
Summary of Staff Review and Recommendations for RFP Responses Redevelopment Request for Proposal