



## Land Use & Environment Committee

### Water Street Redevelopment Area (WSRA) Update

**Agenda Date:** 4/20/2017  
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#### **Title**

Water Street Redevelopment Area (WSRA) Update

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

##### **City Manager Recommendation:**

Receive the update and provide guidance. Briefing only; no action requested.

#### **Report**

##### **Issue:**

Whether to receive a brief update of the Water Street Redevelopment Area (WSRA) scope of work and recent activity specific to Water Street and the surrounding area. WSRA partner, Walker John, Urban Olympia will review plans for the former Les Schwab property and discuss possibilities for next steps specific to the redevelopment of the WSRA. Staff seeks direction on possible next steps for the WSRA process.

##### **Staff Contact:**

Renée Sunde, Economic Development Director, Community Planning & Development Department,  
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##### **Presenter(s):**

Renée Sunde, Economic Development Director  
Keith Stahley, Director Community Planning and Development Department  
Walker John, CEO Urban Olympia

##### **Background and Analysis:**

March 22, 2016 Council approved the Agreement and Scope of Work for Urban Design and Planning Services for the Water Street Redevelopment Area.

Below are the Key Components from the original Scope of Work:

1. Property Acquisition - Developer will begin dialogue with property owners to understand opportunities for possible assemblage.

2. Area Plan - Phase 1 will provide up to three alternatives and will include all properties in the WSRA. Phase II will include a “preferred alternative” for any property that Urban Olympia 5 controls or for which it intends to pursue through an Exclusive Negotiation Agreement (ENA)
3. Development Pro-Forma - The preferred alternative will include the preparation of a Predevelopment Cost Estimate.
4. Participation in Downtown Strategy will be ongoing through the pre-development phase.
5. City Review and Public participation to include regular meetings with Urban Olympia 5 team and to review on-going progress and deliverables and (3) Public Meetings.

On October 24, 2016 staff provided an update and review of the process timeline to the Community Economic Revitalization Committee (CERC) Committee. Walker John, Principal of Urban Olympia shared concept ideas and offered a recommendation for the site, based on limited property ownership interest.

Based on pending acquisitions of surrounding properties on the Isthmus and surrounding Percival Landing, the CERC Committee recommended that staff follow the progression of these acquisitions to understand associated impacts on the WSRA. The committee proposed reconnecting at the beginning of the New Year (2017), to better define next steps.

Today, several property acquisitions have been completed in the immediate vicinity that include the purchase of the former Capitol Center Building by developer Ken Brogan and purchase of the former Les Schwab site by Urban Olympia.

Increased interest from WSRA property owners, the planned redevelopment of several surrounding sites and recent dialogue surrounding the future of our community “Welcome Center” makes this update both relevant and timely.

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

There is interest among neighbors and residents of Olympia as the Downtown Strategy moves towards Council adoption and as redevelopment and investment continues in our downtown core.

The 1.09 acre block identified as the WSRA plays a crucial role in linking community activity centers to the north and south in Percival Landing and Heritage Park as well as the east and west in the core of Downtown and adjacent to the fountain block.

#### **Options:**

1. Provide feedback and direction on the next steps in WSRA process.
2. Direct staff to coordinate a neighborhood outreach meeting to provide a community update, project overview and receive input about redevelopment options.

#### **Financial Impact:**

As outlined in the Development Agreement

1. Pre-Development Funding

The City will provide up to \$25,000 in predevelopment matching grant funding towards work completed for the Area Plan and \$10,000 offset cost for participation in the development of the

Downtown Strategy.

2. Update on funding invoiced for project to date

**Attachments:**

Exhibit A - WSRA Anticipated Process and Timeline