

OLYMPIA CITY COUNCIL MEETING  
Olympia, Washington  
June 15, 2010

Real Estate Purchase and Sale Agreement for Acquisition of Diamond Parking Lot

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CITY MANAGER'S  
RECOMMENDATION: Move to authorize the City Manager to execute the Real Estate Purchase and Sale Agreement relating to acquisition of the Diamond Parking Lot located at 415 - 4th Avenue and 416 - 5th Avenue, and to sign necessary closing documents including adjusting the closing date.

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STAFF CONTACT: Steve Hall, City Manager, (360) 753-8447  
Steve Friddle, Community Services Manager, (360) 753-8591  
Tom Morrill, City Attorney, (360) 753-8449

ORIGINATED BY: City Manager

PRESENTERS AND  
OTHERS NOTIFIED: None. Consent Calendar

ATTACHMENTS: 1. [Real Estate Purchase and Sale Agreement](#)

BUDGET IMPACT/  
SOURCE OF FUNDS: The purchase price is \$780,000 and is funded through the new City Hall project funds.

PRIOR COUNCIL/  
COMMITTEE REVIEW: On May 25, 2010 the City Council passed a resolution indicating the City's intent to purchase the Diamond Parking lot through a negotiated purchase and sale agreement in lieu of condemnation.

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BACKGROUND: Staff approached Diamond Parking, Inc. concerning purchase of the existing surface parking lot at 415 - 4th Avenue and 416 - 5th Avenue in downtown Olympia. The City's interest is to preserve the public water source provided by the artesian well located on the property and increase the supply of public parking in the downtown area near the new City Hall.

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ANALYSIS AND OPTIONS: Purchasing the Diamond lot will ensure that the artesian well on the site is protected and preserved for public use. The City has worked on several initiatives to secure a permanent location for a publicly owned and operated artesian well in downtown Olympia. The current agreement concerning the existing artesian well does not ensure the long-term protection and public use of that well.

The existing surface parking lot would also further the goals of the City's Strategic Parking Plan. The parking lot has been identified by the City as a potential site for a public parking facility. Located one

block from the new City Hall, the site is well suited to provide additional customer and employee parking. This additional parking is important when considering evening meetings and high parking demands by other area commercial uses. The current parking plan for the new City Hall is consistent with parking regulations, but the additional parking provided by the Diamond lot would further meet the needs for public parking and provide increased flexibility for meeting those needs.

The proposed negotiated purchase and sale agreement in lieu of condemnation may be found at Attachment 1. It has been signed by Diamond Parking, Inc., and provides for the transfer of the Artesian Well to the City. Closing will take place before September 16, 2010. The exact closing date will be selected when all existing agreements concerning the property have been terminated or transferred to the City and an existing billboard has been removed. The purchase price of \$ 780,000 is less than the \$ 844,000 Thurston County Assessed value.

**Option 1:**

**Authorize the City Manager to execute the Real Estate Purchase and Sale Agreement relating to acquisition of the Diamond Parking Lot located at 415 - 4th Avenue and 416 - 5th Avenue, and to sign necessary closing documents including adjusting the closing date.**

**Implications:**

1. Provides long term protection and public ownership of the artesian well.
2. Implements the principals and programs contained in the Parking Strategic Plan.
3. Provides additional public parking in the downtown area near the new City Hall and is a potential location for a future public parking structure.
4. Existing staff resources will support the parking program, and funding will be provided from the New City Hall project funds.

**Option 2:**

**Postpone action on the proposed purchase and sale agreement to a later date.**

**Implications:**

1. Opportunity for Council to provide staff with additional direction.
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