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East Bay - Remaining Development



- **Lot 9:** 21,314 Sq Ft
- **Lot 10:** 41,671 Sq Ft
- **Lot 12:** 61,487 Sq Ft

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East Bay - Remaining Development



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Westman Mill Lease



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- Port Commission Unanimously Approved Lease 3rd Gen Investments on 1/9/17
- Westman Mill is a mixed-use housing development with 87 units
- Approved lease also included option for parcels 9, 10, 12
- Option expired in in 2023



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Development Interest

- Urban Olympia and Port restarted exploration of interest earlier this year
- Urban Olympia articulated interest in reexamining development potential with the Port for the formerly optioned properties of lot 9, 10, and 12
- Proposed use would be for mixed use project consist with existing Westman Mill with a focus on increased density and workforce housing
- Staff is proposing the use of an "Exclusive Negotiation Agreement" and joint site planning effort

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Exclusive Negotiation Agreement

What an ENA is...

- A mutual commitment to further explore the feasibility of a project
- A document that memorializes early areas of agreement about a project and shared objectives
- A commitment to temporarily "take the property off the market"

What an ENA is not...

- A long-term transactionally binding contract
- A lease or an option agreement
- A document requiring Commission action

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Exclusive Negotiation Agreement

180 Day Exclusive Negotiation Period

Port Obligations

- Forego entertaining other development opportunities
- Assist in Feasibility Analysis
- Contribute up to \$50,000 for shared site planning efforts
- Commit to working towards create formal transaction agreements for Commission Action that are consistent with existing ground lease terms

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Urban Olympia Obligations

- Work towards project feasibility
- Share any materials associated with the joint site planning efforts
- Commit to the concept that a minimum of 40 units would be targeted towards workforce housing affordability
 - *Defined as rents and utilities not costing the tenant more than 30% of their monthly gross household income - to households whose income is 80% or lower of the Area Median Income, adjusted for household size and determined by the U.S. Department of Housing and Urban Development.*



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Shared Site Planning Effort

Areas the Port would be focusing on in shared site planning effort:

- **Base Mapping & Sea Level Rise** – Develop topography and shoreline maps integrating sea level rise projections.
- **Environmental Conditions** – Assess solar, wind, soils, views, and adjacent land uses.
- **Infrastructure & Utilities** – Evaluate road access, stormwater, water, and sanitary systems.
- **Development Framework** – Establish pad layouts, site access, and circulation options.
- **Mobility & Connectivity** – Study pedestrian, bicycle, and commercial access routes.
- **Public Space Options** – Explore locations for shared amenities such as a multi-site playground.

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Planning Alignment

"Support mixed-income housing development and preserve housing that serves moderate-income households."

City of Olympia Housing Action Plan 2021 – page 82

"Complete communities include homes affordable to households at a variety of income levels."

City of Olympia Housing Action Plan 2021 – page 20

"Encourage new housing on transportation arterials and in areas near public transportation hubs."

City of Olympia Comp Plan-Draft Housing Chapter PH54.34

"Work with City of Olympia to create more welcoming environment downtown."

Port of Olympia – Vision 2050



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Planning Alignment

Dwelling Units by Type and Issued Date
(as of 8/1/25)

Permit Type	2017	2018	2019	2020	2021	2022	2023	2024	2025	Grand Total
ACCESSORY DWELLING UNIT (ADU)			10	6	7	24	17	9	8	81
COMMERCIAL MIXED USE	4	284	119	109	60	61		48		685
DUPLEX		2	2	2	18			6	4	34
MULTI-FAMILY 3-4	15	33	12			4				64
MULTI-FAMILY 5+	27	203	158	122	119	228	134	375		1,366
SINGLE FAMILY RESIDENTIAL	74	33	26	39	111	24	21	29	35	392
TOWNHOUSE	18		3	2	1	3	19	15		61
Grand Total	138	555	330	280	316	344	191	482	47	2,683

Table 1: Building permits issued, annual average of 330 (2017 – 2024). The 2024 housing needs analysis projects that Olympia and its urban growth area will approximately require 14,295 new housing units by 2045 to accommodate population growth (annual average of 715).

"Permits issued to build new housing in Olympia continue to lag the projected need for housing units based on Thurston County population predictions, with only an annual average of 330 permits issued compared to projected annual need of 715 housing units (see Table 1 below). A lack of housing threatens to displace people from Olympia with a whole generation of young people struggling to see their future here. This displacement pressure prevents individuals, families, and whole communities from participating and contributing to Olympia."

- City of Olympia Planning Commission - 8/18/25



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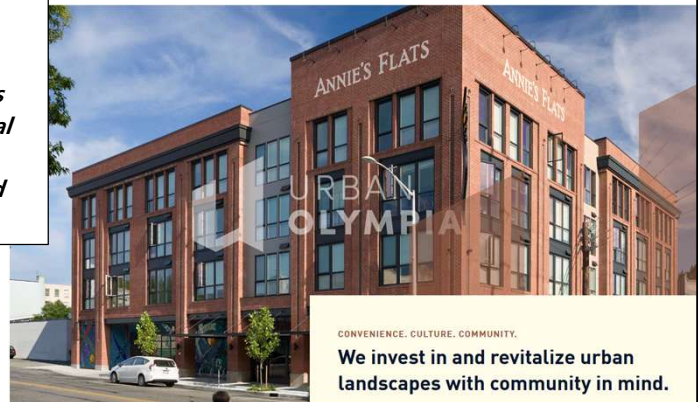
Urban Olympia

"Urban Management has effectively brought multiple development projects to fruition in downtown Olympia including our successful project, Westman Mill, on Port property. We utilize local banks and local equity partners on all our projects in Olympia. We prioritize utilizing local contractors and we are proud to highlight that our commercial tenants are predominately locally owned and operated businesses. Olympia is our home."

Our Values

- **Community** – We invest in and revitalize urban landscapes with community in mind so people can feel connected with each other and the places where they live, work and shop.
- **Walkability** – Location is everything. Creating the best of urban living means tenants can find everything they need and love within walking distance of their home or workspace.
- **Quality** – We build living and working spaces with the highest quality features and finishes.
- **Trust** – We have a long history of following through on our promises and investing in our community.
- **Service** – Only the best for our clients, tenants, partners and friends.

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East Bay Redevelopment Site Environmental Covenant

- ❑ Covenant required under legal agreement with the WA Dept of Ecology
- ❑ To protect human health and the environment
- ❑ All sales, leases, and development activities must comply with the covenant
- ❑ Ground cover cap and associated markings must be maintained
- ❑ Annual inspection of protections is required
- ❑ Development must receive approval from the WA Dept of Ecology



E Bay Redevelopment Site in Yellow

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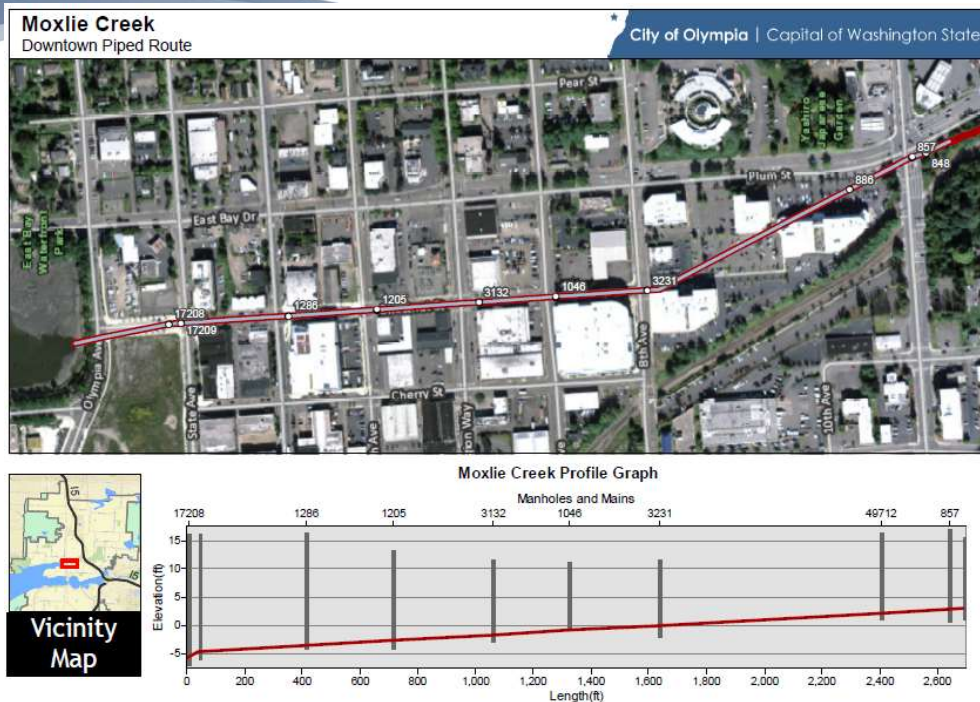
Sea Level Rise and Moxlie Creek

- City of Olympia permitting process addresses sea level rise. The Port and any perspective tenant will have to comply with all pertinent city ordinances and development /building code.
- The pipe carrying Moxlie Creek and the outfall are not on Port property.
- City of Olympia has not expressed an intent or interest in utilizing Port property for daylighting efforts.

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Summary

- Staff are exploring an Exclusive Negotiation Agreement (ENA) with Urban Olympia.
- ENA's are not long term transactionally binding contracts.
 - Any option agreement or lease would come forward for Commission action.
- The Port would commit funding towards a joint site planning effort.
- Urban Olympia is committing to incorporating a workforce housing affordability element.
- The ENA would be for 180 days.

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Questions or Comments

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