

COVER MEMO

Briefing Date: October 26, 2026

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Subject: Surplus Real Property Approval – Airport FBO Office Building

Purpose: ☒ Information Only ☐ Decision Needed

Type of Agenda Item:

- Advisory Item
- No action required

Background:

The Port of Olympia is the owner of the Glacier Aviation Fixed Base Operator (FBO) office building, a 1,700 square-foot facility at 7645 Old Highway 99 at the Olympia Regional Airport. Glacier Aviation and its predecessor companies have leased the facility from the Port since July 23, 2004.

The Port is currently in lease negotiations with a successor company that will purchase and operate the Glacier Aviation FBO business. As currently envisioned, this new company will assume all of Glacier Aviation's three existing leases at the airport. The office building is central to the operation of the business, and the airport envisions no other future purpose of this building other than to continue to serve Thurston County's aviation needs as an FBO office. Port staff has therefore determined that the interests of the airport will best be served by selling and transferring ownership of the FBO office building to this new company, releasing the Port from its ownership and maintenance responsibilities.



Building History:

The U.S. Weather Bureau moved the functions of its Chehalis, WA office to a new facility at what was then Olympia Municipal Airport (owned by the City of Olympia) in May 1941. Upper air observations via weather balloons were transferred here from Seattle in June 1962, and were subsequently discontinued in February 1964. The office was closed in 1998 when smaller regional offices were consolidated into a new central facility in Seattle.

Surplus of Real Property Process:

In accordance Port Policy 125 and RCW 53.08.090, each year the Commission adopts a resolution authorizing the Executive Director and the Director of Enterprise Services to dispose of surplus property of less than the value indicated in the annual Commission Resolution.

Resolution 2026-01, adopted by the Port Commission on January 12, 2026, establishes the 2026 value as \$23,340.00. However, this resolution goes on to state "... while RCW 53.08.090 allows this delegation to extend to Port real property, Port real property is specifically excluded from this authorization. The declaration of any Port District real property as surplus requires approval by the Port Commission."

According to RCW 84.04.090 and WAC 458-12-010, the definition of real property explicitly includes land and all buildings, structures, and permanent improvements attached to it. Therefore, surplus of this FBO office building requires specific Commission approval.

This building shall remain on the Federal Aviation Administration (FAA)-approved Olympia Regional Airport Layout Plan and the underlying land shall remain Port property. Therefore, no amendment to the Port's Comprehensive Scheme of Harbor Improvements is required.

Next Steps:

1. Executive Director RCW 53.08.090 Surplus Property Certification
2. November 9, 2006 Commission Meeting Action Item
 - a. Surplus Property Resolution Approval

Summary and Financial Impact:

The surplus of the Port asset will release the Port's responsibility for maintenance of an aging facility. The transaction will provide a one-time infusion of capital to the Olympia Regional Airport and will replace the existing space lease with a more encompassing land lease that includes the subject facility.

Final sale price and lease terms are still under collaborative negotiations. The Port fully expects to receive fair market value for this building. The final lease and the property purchase and sale agreement terms will both be subject to future separate Commission actions.

Sale proceeds will be subject to the Port's Real Estate Reinvestment Policy.

Alignment with Vision 2050:

This lease aligns with the following Vision 2050 focus areas, goals, and action items:

Focus Area: Countywide Economic Development and Real Estate Framework

- Goal: Leverage the Port's unique statutory authority to catalyze economic opportunities in partnership with local jurisdictions and economic development organizations.
- Action Item #22: Create a Business and Economic Development Plan that identifies key investment areas and desired outcomes.

Focus Area: Airport Functions

- Goal: Maximize the economic and community value of the Olympia Regional Airport in accordance with FAA Master Plan regulations.
- Action item #30: Research strategies used by other airports of similar size to determine best practices and opportunities.

Environmental Considerations and Review:

There are no environmental impacts resulting from this transaction. No SEPA review is required per WAC 197-11-800(5)(b) and (c).

Staff Recommendation:

Port staff recommends approval of this surplus real property transaction and the accompanying resolution at its November 9, 2026 Commission meeting.