
Appendix A: Changes to Report #1

Section I: The Need for Facilities

State government, with a few exceptions, has grown and become more fragmented over the past seven years. A strong commitment to the delivery of quality public services, the growing importance of technology, restrictions on state spending, and an aging inventory of owned and leased office buildings require that the state plan, develop and manage its owned and leased space well.

The table showing the county's most fragmented agencies illustrates this fragmentation. Most agencies agree on the need and the following reasons to consolidate.

WHY CONSOLIDATE?

1. Improve agencies' operating efficiency and effectiveness

- Consolidation of fragmented facilities and housing of interrelated functions
- Reduced time lost to travel
- Improved employee productivity
- Consolidated telephone, computer systems, central stores, distribution and receiving, publications, and mail service
- Shared use of resources, i.e., pool vehicles, libraries, receptionists, cashiers, lunchrooms, conference space, hearing rooms, training
- Enhanced communication and accountability through adjacency
- Enhanced public and employee image, thereby improving recruitment and retention

2. Improve service to the public

- Increased visibility and identity
- One-stop customer service
- Increased public access
- Barrier-free access
- Available parking
- Transit access
- Enhanced emergency incident coordination
- Better coordination with community service programs

Department of Transportation – Office Locations

<i>Division/Program</i>	<i>Location</i>	<i>Building #</i>	<i>Square Feet</i>	<i>Number of Employees</i>	<i>Facilities Cost SF/YR</i>	<i>Total Annual Facilities Cost</i>
Olympia Service Center						
Bridges & Structures	4500 Third Avenue, Lacey		15,224	90	\$15.42	\$234,688
Computer Aided Engineering (CAE)	719 Sleater-Kinney Rd. Lacey		6,667	17	\$12,441 14.07	\$82,933 93,817
Environmental	New 6639 Capitol Blvd – Tumwater		5,622	26	\$48,021 18.00	\$101,308196
Consulting Services	6639 Capitol Blvd – Tumwater New		2,533	5	\$48,021 18.00	\$45,645000
Traffic Operations/Radio Operations	724 Quince St., Olympia		8,637	38	\$16.3615	\$144,346 213,394
Motor Carrier Services/ <u>Risk Management</u>	921 Lakeridge Way, Olympia		2,749	10	\$13.54	\$37,223 77,547
Admin. Facility Planner	724 Quince St., Olympia		232	1	\$16,361 11.90	\$3,796 2,760
Management Information Systems	724 Quince St., Olympia		4,342 213.44 3	32	\$16.3608	\$71,035 77,547
Management Information Systems	809 Legion Way, Olympia		22,598	116	\$14.77	\$333,856
<u>Risk Management</u>	921 Lakeridge Way, Olympia		2,978	40	\$13.54	\$40,324
Admin. Services Purchasing Office	6639 Capitol Blvd., Tumwater		1,843	10	\$18.02	\$33,211
Transportation Economic Partnerships	Bristol Court, Olympia		5,950	12	\$12.79	\$76,092
			<u>Total Sq. Foot</u>			
			79,375 93.0 17	367		

BOARDS AND COMMISSIONS – OFFICE LOCATIONS

<i>Division/Program</i>	<i>Location</i>	<i>Building #</i>	<i>Square Feet</i>	<i>Number of Employees</i>	<i>Facilities Cost SF/YR</i>	<i>Total Annual Facilities Cost</i>
County Road Admin. Board	2404 Chandler Court, Olympia		4,963	17	\$13.26	\$65,809
Transportation Improvement Board	Transportation Building, Olympia		2,850	18	\$14.89	\$42,439
Traffic Safety Commission	1000 Cherry Street, Olympia		6,400	23	\$15.10	\$96,610
			<u>Total Sq. Foot</u>			
			<u>14,213</u>			

Lease	Agency	Address	City	Start	End	SF	Monthly Rent	Parking Amount	Base Rent PSF	Utilities	Janitorial	TI Total	Owner
6733	DIS	7827 Arab Dr	Olympia	10/1/94	9/30/99	12,748	\$4,557.41	\$0.00	\$4.29	\$0.00	\$0.00	\$17,927.59	Kaufman Develop
6753	CRA	2404 Chandler	Olympia	1/1/95	12/31/99	4,963	\$4,454.66	\$50.00	\$0.00	\$9.65	\$1.00	\$0.00	John & Glenda Drebrick
6761	CTC	319 7th Ave	Olympia	12/14/98	8/31/99	3,558	\$3,587.65	\$0.00	\$12.10	\$0.00	\$0.00	\$0.00	McK Properties
6770	CTE	906 Columbia St	Olympia	10/1/94	9/30/99	54,554	\$48,780.37	\$0.00	\$9.53	\$0.20	\$1.00	\$0.00	Labor 1992 Corp
6773	DIS	512 12 Ave SE	Olympia	12/1/94	11/30/99	23,155	\$22,672.60	\$0.00	\$9.65	\$1.10	\$1.00	\$0.00	
6779	DOC	1310 Jefferson St.	Olympia	2/1/95	1/31/00	25,086	\$21,845.73	\$0.00	\$9.65	\$0.00	\$0.80	\$0.00	Dennis L. Adams & the Estate of Virgil L. Adams
6782	SHS	7240 Martin Way	Olympia	4/1/95	3/31/00	3,099	\$2,982.79	\$0.00	\$9.45	\$1.10	\$1.00	\$69,265.87	Kaufman Development LP
6804	DSB	1400 Evergreen Pk Dr SW	Olympia	2/1/95	2/1/00	6,213	\$5,514.04	\$0.00	\$9.65	\$0.00	\$1.00	\$13,866.81	Drebrick Investments
6805	L&I	7827 Arab Dr	Olympia	2/1/95	2/1/00	26,084	\$7,020.94	\$0.00	\$3.23	\$0.00	\$0.00	\$29,864.56	Kaufman Develop
6806	OAC	922 79th Avenue	Olympia	9/1/95	8/31/00	6,035	\$1,604.30	\$0.00	\$3.19	\$0.00	\$0.00	\$0.00	Kaufman Brothers
6825	BTA	1400 Evergreen Pk Dr SW	Olympia	2/1/95	1/31/01	9,434	\$8,822.68	\$450.00	\$9.65	\$0.00	\$1.00	\$0.00	Drebrick Investments
6836	DOL	622 S Jefferson	Olympia	2/1/95	1/31/00	14,587	\$3,831.00	\$0.00	\$3.15	\$1.10	\$1.00	\$0.00	Lundmark
6844	ATG	905 Plum St SE	Olympia	5/1/96	4/30/06	42,403	\$47,939.68	\$0.00	\$11.05	\$0.00	\$0.00	\$677,500.00	Vine Street Associates
6852	DOL	2424 Heritage Bristol Ct SW	Olympia	3/1/95	2/29/00	17,902	\$16,186.39	\$0.00	\$9.65	\$0.20	\$1.00	\$0.00	Morris Properties
6859	OAC	1210 Eastside St	Olympia	6/1/95	5/31/00	4,040	\$3,512.00	\$280.00	\$9.60	\$0.00	\$0.00	\$54,805.65	B&B Ratner Trust;Bernice Ratner Trust
6862	ATG	2411 Chandler Court SW	Olympia	6/1/95	5/31/00	9,075	\$8,354.06	\$0.40	\$9.65	\$0.00	\$1.00	\$16,929.47	Drebrick Investments
6869	REV	7741 Arab Rd.	Olympia	11/1/95	10/31/00	9,893	\$2,720.58	\$0.00	\$3.30	\$0.00	\$0.00	\$0.00	Kaufman Develop
6894	WSP	7600 Terminal Road	Olympia	6/1/95	5/31/00	11,080	\$3,120.87	\$0.00	\$3.38	\$0.00	\$0.00	\$0.00	
6897	OMW	406 S. Water St	Olympia	7/1/95	6/30/00	5,567	\$4,244.84	\$0.00	\$8.95	\$0.20	\$0.00	\$0.00	Olympia First
6911	SHS	724 Quince Street SE	Olympia	7/1/95	6/30/00	27,297	\$28,915.46	\$1,800.00	\$12.14	\$1.10	\$1.00	\$0.00	Vine Street
6916	L&I	724 Quince Street SE	Olympia	7/1/95	6/30/00	13,165	\$13,918.59	\$600.00	\$12.14	\$1.10	\$1.00	\$0.00	Vine Street
6920	AAA	1210 Eastside St	Olympia	1/1/96	8/31/00	3,370	\$2,752.17	\$0.00	\$9.80	\$0.00	\$0.00	\$1,768.48	B&B Ratner Trust;Bernice Ratner Trust
6921	SHS	204 East 11th Ave	Olympia	1/1/96	12/31/00	4,192	\$4,404.66	\$300.00	\$9.65	\$0.00	\$0.00	\$0.00	Pro Art Company
6935	SHS	617 & 623 8th Ave SE	Olympia	1/1/96	12/31/05	80,100	\$74,760.00	\$0.00	\$11.20	\$0.00	\$0.00	\$0.00	Vine Street Investors
6937	DOC	3700 Martin Way	Olympia	1/1/96	12/31/00	5,055	\$4,600.05	\$0.00	\$10.92	\$0.00	\$0.00	\$0.00	Steadman Family Trust
6955	OSA	2420 Bristol Court SW	Olympia	11/1/95	10/31/00	2,752	\$2,797.00	\$0.00	\$9.90	\$0.00	\$0.00	\$0.00	Morris Properties
6956	LIQ	2420 Bristol Court SW	Olympia	11/1/95	10/31/00	2,464	\$2,519.44	\$1.00	\$10.17	\$1.10	\$1.00	\$0.00	Morris
6957	OAH	2420 Bristol Court SW	Olympia	11/1/95	10/31/00	6,317	\$6,317.00	\$0.00	\$12.00	\$0.00	\$0.00	\$0.00	James & Frank Morris
6962	SHS	925 Plum St	Olympia	6/1/96	5/31/01	33,688	\$32,565.07	\$0.00	\$11.60	\$0.00	\$0.00	\$0.00	Vine Street Associates
6967	REV	711 Capitol Wy Ste 403	Olympia	12/1/95	12/30/99	5,909	\$6,066.57	\$0.00	\$10.22	\$1.10	\$1.00	\$0.00	Overlake Mgmt Co.
6976	DOT	2420 Bistol Ct SW	Olympia	1/1/96	12/31/00	6,317	\$6,317.00	\$0.00	\$12.00	\$0.00	\$0.00	\$0.00	Morris Properties
6981	UTC	1300 Evergreen Pkwy SW	Olympia	2/1/96	1/31/01	37,107	\$36,165.49	\$450.00	\$10.55	\$0.00	\$1.00	\$0.00	Drebrick Investments
7021	DOC	715 E 8th	Olympia	4/1/96	3/31/01	3,982	\$3,484.25	\$0.00	\$10.50	\$0.00	\$0.00	\$16,212.00	Capital Development Co
7042	HCA	410 11th Ave	Olympia	5/1/96	4/30/01	2,440	\$2,580.00	\$635.00	\$12.68	\$1.10	\$1.00	\$0.00	11th Ave Investors
7060	DVA	7240 B Martin Wy E	Olympia	5/1/96	4/30/01	11,056	\$10,318.93	\$0.00	\$11.20	\$0.00	\$0.00	\$8,702.21	Morris, Pope, Venture, a WA Gen Partnership
7086	DOT	724 Quince St	Olympia	4/1/97	5/31/01	13,211	\$12,990.81	\$0.00	\$11.80	\$1.10	\$1.00	\$0.00	Vine Street
7097	WSU	925 Plum St	Olympia	8/1/97	6/30/01	19,258	\$18,616.07	\$0.00	\$10.50	\$0.00	\$1.00	\$0.00	Vine Street
7098	SEC	505 E Union	Olympia	5/1/96	4/30/01	18,145	\$17,766.98	\$0.00	\$10.75	\$0.00	\$1.00	\$37,416.68	5th & Pear Assoc Lmt
7103	CTED	925 Plum St	Olympia	8/1/97	6/30/01	3,884	\$3,754.53	\$0.00	\$11.60	\$0.00	\$1.00	\$0.00	Vine Street
7105	WSU	925 Plum St	Olympia	8/1/97	6/30/01	1,411	\$1,363.97	\$0.00	\$1,160.00	\$1.10	\$1.00	\$0.00	Vine Street
7154	CTE	111 W 21st St	Olympia	6/1/95	5/31/00	4,863	\$4,198.39	\$0.00	\$8.26	\$1.10	\$1.00	\$0.00	Bldg Industry Assoc
7168	SGC	925 Plum St	Olympia	8/1/96	7/31/01	3,688	\$3,565.07	\$0.00	\$11.60	\$1.10	\$1.00	\$0.00	Vine Street
7169	OPD	925 Plum St	Olympia	7/1/96	6/30/00	2,146	\$2,153.73	\$0.00	\$11.60	\$0.00	\$0.00	\$0.00	Vine Street
7191	REV	2409 Pacific Ave	Olympia	6/1/96	5/31/01	5,036	\$4,826.17	\$0.00	\$10.30	\$0.20	\$1.00	\$0.00	Philip M & Carol R Juergens
7193	DIS	605 11th Ave SE	Olympia	9/1/96	8/31/01	13,954	\$11,924.85	\$150.00	\$9.93	\$0.20	\$0.00	\$0.00	WA Fire Comm Assn
7196	OPD	925 Plum St	Olympia	8/1/97	6/30/00	2,228	\$2,153.73	\$0.00	\$11.60	\$1.10	\$1.00	\$0.00	Vine Street
7200	REV	711 State Ave	Olympia	10/1/96	9/30/01	19,884	\$19,138.35	\$0.00	\$10.75	\$0.00	\$0.80	\$0.00	Kolb Properties
7207	DOH	7745 W Arab Rd	Olympia	6/1/96	5/31/01	19,500	\$6,256.25	\$0.00	\$3.85	\$0.00	\$0.00	\$0.00	Kaufman Develop
7225	GEN	Legion/Cherry	Olympia	11/1/96	10/31/01	33,000	\$16,631.00	\$0.00	\$6.05	\$1.10	\$1.00	\$0.00	Kolb/Gregory
7232	DOT	7912 Martin Wy NE	Olympia	9/1/96	8/31/01	4,836	\$4,603.97	\$175.00	\$10.89	\$0.10	\$0.00	\$0.00	Kyung S. Gabriel/Norberg
7233	HRC	7912 Martin Wy NE	Olympia	9/1/96	8/31/01	1,304	\$1,248.60	\$75.00	\$10.70	\$0.10	\$0.00	\$0.00	Kyung S. Gabriel/Norberg
7234	DOC	410 W 5th & 411 W 4th Ave	Olympia	9/1/96	8/31/01	89,953	\$104,297.67	\$4,150.00	\$11.26	\$1.10	\$1.00	\$0.00	Sato, John DBA Cherry Hill Assoc
7340	GEN	1310 Fones Rd	Olympia	1/1/97	12/31/01	13,349	\$14,250.06	\$0.00	\$12.81	\$0.00	\$0.00	\$0.00	Assoc Petroleum Prod

Lease	Agency	Address	City	Start	End	SF	Monthly Rent	Parking Amount	Base Rent PSF	Utilities	Janitorial	TI Total	Owner
8354	L&I	7741 Arab Rd.	Olympia	5/17/99	4/30/00	6,900	\$2,472.50	\$0.00	\$4.30	\$0.00	\$0.00	\$0.00	Kaufman Develop
8356	DOH	7745 W Arab Rd	Olympia	5/1/99	4/30/01	6,000	\$1,930.00	\$0.00	\$3.86	\$0.00	\$0.00	\$0.00	Kaufman Develop
8416	FIR	605 11th Avenue S.E.	Olympia	8/1/00	7/31/03	1,402	\$1,000.00	\$0.00	\$7.76	\$0.60	\$0.20	\$0.00	WA Fire Comm Assn
6458	DOL	3006 - 29th St. SW	Tumwater	11/1/96	10/31/99	2,100	\$787.50	\$0.00	\$4.00	\$0.50	\$0.00	\$0.00	Scott & Susan Ritter
6675	DOH	Airdustrail #9	Tumwater	4/1/94	6/30/99	6,000	\$3,975.00	\$0.00	\$6.85	\$0.10	\$1.00	\$0.00	Kaufman Develop
6676	DOH	Airdustrail #14	Tumwater	4/1/94	3/31/99	6,000	\$3,975.00	\$0.00	\$6.85	\$0.10	\$1.00	\$0.00	Kaufman Develop
6731	WTB	Airdustrail Park #17	Tumwater	8/1/94	7/31/99	12,402	\$8,268.00	\$0.00	\$6.90	\$0.10	\$1.00	\$0.00	Kaufman Const
6788	WSP	321 Cleveland Ave	Tumwater	1/1/95	12/31/99	2,160	\$2,079.00	\$0.00	\$9.45	\$1.10	\$1.00	\$0.00	Cleveland Plaza
6807	REV	6004 Capitol Blvd	Tumwater	1/1/95	12/31/99	10,955	\$8,900.94	\$0.00	\$8.55	\$0.20	\$0.00	\$0.00	P&P Enterprises
6858	DOH	Airdustrail Park	Tumwater	5/1/95	4/30/00	4,000	\$1,050.00	\$0.00	\$2.95	\$0.20	\$0.00	\$0.00	Morris Pope Venture
6860	RES	7600 Terminal St SE	Tumwater	5/1/95	4/30/00	0	\$399.19	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Port of Olympia
6894	WSP	7600 Terminal St SE	Tumwater	6/1/95	5/31/00	11,080	\$3,120.87	\$0.00	\$3.38	\$0.00	\$0.00	\$0.00	Port of Olympia
6910	AGR	2747 29th SW	Tumwater	8/1/95	7/31/00	3,384	\$2,600.04	\$0.00	\$8.12	\$0.10	\$1.00	\$10,215.00	Mylet
7064	DOH	Airdustrail #8	Tumwater	6/1/96	5/31/01	8,320	\$7,280.00	\$0.00	\$9.40	\$1.10	\$0.00	\$0.00	Olympia Airdustrail Park Assoc.
7165	SHS	5000 Capitol Boulevard	Tumwater	8/1/96	7/31/01	46,020	\$38,311.65	\$2,060.00	\$9.46	\$0.00	\$0.00	\$0.00	Capital Development Co
7570	F&W	7600 Terminal St SE	Tumwater	5/1/97	4/30/02	7,456	\$1,398.00	\$0.00	\$2.25	\$0.00	\$0.00	\$0.00	Port of Olympia
7667	PER	3400 Capitol Blvd	Tumwater	8/1/97	7/31/02	1,148	\$999.72	\$0.00	\$8.35	\$1.10	\$1.00	\$0.00	Black & Ries
7734	AGR	3939 Cleveland Ave	Tumwater	11/1/97	10/31/02	14,093	\$12,237.43	\$0.00	\$10.00	\$1.10	\$0.80	\$0.00	J/4 Assoc
7742	F&W	3939 Cleveland Ave	Tumwater	11/1/97	10/31/02	21,050	\$4,911.67	\$0.00	\$2.60	\$0.20	\$0.00	\$0.00	J/4 Assoc
7795	REV	6300 Linderson Wy	Tumwater	4/1/98	3/31/08	48,187	\$42,833.81	\$0.00	\$9.67	\$0.00	\$1.00	\$0.00	Kurt Meier
7839	GEN	7511 New Market	Tumwater	12/1/97	11/30/02	56,550	\$12,377.25	\$0.00	\$2.63	\$0.00	\$0.00	\$0.00	Morris Pope Venture
7934	SHS	6330 Capitol Blvd	Tumwater	5/1/98	4/30/03	6,000	\$5,350.00	\$0.00	\$10.70	\$0.00	\$0.00	\$0.00	Charles Hendrickson
7949	SHS	6737 Capital Blvd	Tumwater	3/1/99	2/28/09	49,984	\$59,356.00	\$0.00	\$14.25	\$0.00	\$0.00	\$0.00	Vine Street
7993	PRT	7171 Clearwater Ln	Tumwater	4/1/98	3/31/01	1,920	\$550.40	\$0.00	\$1.34	\$1.10	\$1.00	\$0.00	NHC-SUB
8051	DRS	7825 Capitol Blvd	Tumwater	1-Feb	1/31/09	57,441	\$66,535.83	\$0.00	\$13.90	\$0.00	\$0.00	\$0.00	Vine Street Investors
8068	DOH	7171 Clearwater Ln	Tumwater	11/1/97	5/31/03	64,000	\$54,826.67	\$0.00	\$10.28	\$0.00	\$0.00	\$0.00	Olympia Airdustrail
8155	P&R	7150 Clearwater Ln	Tumwater	11/1/98	10/31/03	27,237	\$19,973.80	\$0.00	\$8.80	\$0.00	\$0.00	\$0.00	Olympia Airdustrail
8158	DRS	5057 Lambskin St SW	Tumwater	12/15/98	12/14/01	5,250	\$2,835.00	\$0.00	\$6.48	\$0.00	\$0.00	\$0.00	Cherie Perrott
8460	DOT	824 Airport Ct	Tumwater	4/1/99	3/31/04	6,000	\$6,000.00	\$0.00	\$12.00	\$0.00	\$0.00	\$0.00	Kaufman Brothers
8258	DOT	6639 Capitol Boulevard	Tumwater	4/1/99	3/31/04	23,940	\$4,911.67	\$0.00	\$2.60	\$0.00	\$0.00	\$0.00	J/4 Assoc
8303	OFM	6825 Capitol Boulevard	Tumwater	4/1/99	3/31/09	23,940	\$27,730.50	\$0.00	\$13.90	\$0.00	\$0.00	\$41,434.20	Vine Street Investors
8337	SHS	7171 Clearwater Ln	Tumwater	6/1/99	5/31/04	8,640	\$10,080.00	\$0.00	\$13.00	\$1.00	\$0.00	\$0.00	NHC-SUB
8411	DOH	Airdustrail Park, Bldg. 10	Tumwater	7/1/99	6/30/04	6,000	\$5,375.00	\$0.00	\$9.75	\$1.00	\$0.00	\$0.00	Kaufman
8412	DOH	Airdustrail Park, Bldg. 11	Tumwater	7/1/99	6/30/04	6,000	\$5,375.00	\$0.00	\$9.75	\$1.00	\$0.00	\$0.00	Kaufman
8413	DOH	Airdustrail Park, Bldg. 14	Tumwater	7/1/99	6/30/04	6,000	\$5,375.00	\$0.00	\$9.75	\$1.00	\$1.00	\$0.00	Kaufman
8414	DOH	Airdustrail Wy	Tumwater	7/1/99	6/30/04	6,000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Morris Pope Venture
7537	DOL	405 Black Lake Blvd.	Olympia	5/1/99	4/30/09	71,839	\$78,715.90	.58 psf	\$12.50	\$0.00	\$0.00	\$0.00	Vine Street Investors
7539	DOL	2000 W. 4th Street	Olympia	5/1/99	4/30/09	20,229	\$22,158.80	.58 psf	\$12.50	\$0.00	\$0.00	\$0.00	Vine Street Investors

Appendix B: Example of Actual JLARC Cost Model

Assumptions

Agency	Contact	Project Name	Project Number			
		DRS - Construct New				
Assumptions						
Value in Base Year S's						
Capital & Acquisition Assumptions (See "Acquisition Cost" Form For Additional Detail Costs)						
		Land Value	\$0			
		Building Value	\$7,523,794			
		Depreciable Life of Building	75			
		Building's Rentable Square Feet	58,103			
		Base Year	1998			
		Number of Years For Analysis	25			
Operating Cost Assumptions (Per Rentable Square Foot)						
		Utilities (Per Square Foot)	\$ 1.05			
		Custodial (Per Square Foot)	\$ 1.05			
		Maintenance (Per Square Foot)	\$ 1.21			
		Security (Per Square Foot)	\$ -			
		Property Tax Rate (per \$1,000 of AV)	\$ -			
		Insurance	\$ 0.2100			
		Parking Costs (Per Square Foot)	\$ -			
		Tenant Improvements (Per Square Foot)	\$ 1.0500			
		Capital Replacement Reserve (Per Square Foot)	\$ 1.5000			
		Management Fees (Per Square Foot)	\$ 0.4200			
		Other Oper. Costs-Acquisition (Per Square Foot)	\$ -			
		Other Oper. Costs-Status Quo (Per Square Foot)	\$ 0.34			
Space Assumptions						
		Square Footage Allowance per FTE	-			
		Other Total Space Allowances in Building	58,103			
		Vacancy Rate on Underutilized Space	0.00%			
		Base Number of FTE	0			
Financing & Revenue Assumptions						
		Interest Rate (Percentage)	6.00%			
		Cost of Financing (Percentage)	2.00%			
		Years Financed	20			
		Discount Rate	7.00%			
		Present Lease Cost (Per Square Foot)	\$17.60	lease + util + custodial		
		Base rent from underutilized space	\$0.00	\$15.50+\$1.05+\$1.05		
Moving, Equipment & Other One-Time Expenses						
			Value			
		Moving Expenses (Per FTE)	\$0.00			
		Furniture (Per FTE)	\$0.00			
		Telephone (Per FTE)	\$0.00			
		Data Processing (Per FTE)	\$0.00			
		Other Equipment (Per FTE)	\$0.00			
			Value	Year		
		Moving Expenses (Added to Per FTE-Total)	\$0.00			
		Furniture (Added to Per FTE-Total)	\$0.00			
		Telephone (Added to Per FTE-Total)	\$0.00			
		Data Processing (Added to Per FTE-Total)	\$0.00			
		Other Equipment (Added to Per FTE-Total)	\$0.00			
Summary Assumptions						
Costs & Amortization Assumptions						
		Land Value	6.00%			
		Building Value	3.00%			
Operating Cost Assumptions						

Assumptions

		<i>Net Present Value of New Proposal</i>		\$10,777,565		
		Square Foot Rate - Net Cost/SF (Net Present Value)		\$13.92		
		Square Foot Rate - Per Square Foot Available (Net Present Value)		\$13.92		

Operating costs for owned space

Year	Operating Costs--State Agencies										Total Oper.				
	Utilities	1.05 \$	Custodial	1.05 \$	Maintenance	1.21 \$	Security	Tax Loss	Insurance	0.21 \$		Parking	Tenant Improv *	Mgt. Fees	0.42 \$
1998	\$61,008	\$61,008	\$70,305	\$70,305	\$0	\$0	\$0	\$12,202	\$12,202	\$0	\$61,008	\$24,403	\$24,403	\$0	\$289,934
1999	\$62,655	\$62,655	\$72,203	\$72,203	\$0	\$0	\$0	\$12,551	\$12,551	\$0	\$62,655	\$25,062	\$25,062	\$0	\$297,762
2000	\$64,347	\$64,347	\$74,152	\$74,152	\$0	\$0	\$0	\$12,869	\$12,869	\$0	\$64,347	\$25,739	\$25,739	\$0	\$305,802
2001	\$66,084	\$66,084	\$76,154	\$76,154	\$0	\$0	\$0	\$13,217	\$13,217	\$0	\$66,084	\$26,434	\$26,434	\$0	\$314,058
2002	\$67,869	\$67,869	\$78,211	\$78,211	\$0	\$0	\$0	\$13,574	\$13,574	\$0	\$67,869	\$27,147	\$27,147	\$0	\$322,538
2003	\$69,701	\$69,701	\$80,322	\$80,322	\$0	\$0	\$0	\$13,940	\$13,940	\$0	\$69,701	\$27,880	\$27,880	\$0	\$331,247
2004	\$71,583	\$71,583	\$82,491	\$82,491	\$0	\$0	\$0	\$14,317	\$14,317	\$0	\$71,583	\$28,633	\$28,633	\$0	\$340,190
2005	\$73,516	\$73,516	\$84,718	\$84,718	\$0	\$0	\$0	\$14,703	\$14,703	\$0	\$73,516	\$29,406	\$29,406	\$0	\$349,375
2006	\$75,501	\$75,501	\$87,006	\$87,006	\$0	\$0	\$0	\$15,100	\$15,100	\$0	\$75,501	\$30,200	\$30,200	\$0	\$358,808
2007	\$77,539	\$77,539	\$89,355	\$89,355	\$0	\$0	\$0	\$15,508	\$15,508	\$0	\$77,539	\$31,016	\$31,016	\$0	\$368,496
2008	\$79,633	\$79,633	\$91,767	\$91,767	\$0	\$0	\$0	\$15,927	\$15,927	\$0	\$79,633	\$31,853	\$31,853	\$0	\$378,446
2009	\$81,783	\$81,783	\$94,245	\$94,245	\$0	\$0	\$0	\$16,357	\$16,357	\$0	\$81,783	\$32,713	\$32,713	\$0	\$388,664
2010	\$83,991	\$83,991	\$96,790	\$96,790	\$0	\$0	\$0	\$16,798	\$16,798	\$0	\$83,991	\$33,596	\$33,596	\$0	\$399,158
2011	\$86,259	\$86,259	\$99,403	\$99,403	\$0	\$0	\$0	\$17,252	\$17,252	\$0	\$86,259	\$34,504	\$34,504	\$0	\$409,935
2012	\$88,588	\$88,588	\$102,087	\$102,087	\$0	\$0	\$0	\$17,718	\$17,718	\$0	\$88,588	\$35,435	\$35,435	\$0	\$421,003
2013	\$90,980	\$90,980	\$104,843	\$104,843	\$0	\$0	\$0	\$18,196	\$18,196	\$0	\$90,980	\$36,392	\$36,392	\$0	\$432,370
2014	\$93,436	\$93,436	\$107,674	\$107,674	\$0	\$0	\$0	\$18,687	\$18,687	\$0	\$93,436	\$37,374	\$37,374	\$0	\$444,044
2015	\$95,959	\$95,959	\$110,581	\$110,581	\$0	\$0	\$0	\$19,192	\$19,192	\$0	\$95,959	\$38,384	\$38,384	\$0	\$456,033
2016	\$98,550	\$98,550	\$113,567	\$113,567	\$0	\$0	\$0	\$19,710	\$19,710	\$0	\$98,550	\$39,420	\$39,420	\$0	\$468,346
2017	\$101,211	\$101,211	\$116,633	\$116,633	\$0	\$0	\$0	\$20,242	\$20,242	\$0	\$101,211	\$40,484	\$40,484	\$0	\$480,992
2018	\$103,943	\$103,943	\$119,782	\$119,782	\$0	\$0	\$0	\$20,789	\$20,789	\$0	\$103,943	\$41,577	\$41,577	\$0	\$493,978
2019	\$106,750	\$106,750	\$123,016	\$123,016	\$0	\$0	\$0	\$21,350	\$21,350	\$0	\$106,750	\$42,700	\$42,700	\$0	\$507,316
2020	\$109,632	\$109,632	\$126,338	\$126,338	\$0	\$0	\$0	\$21,926	\$21,926	\$0	\$109,632	\$43,853	\$43,853	\$0	\$521,013
2021	\$112,592	\$112,592	\$129,749	\$129,749	\$0	\$0	\$0	\$22,518	\$22,518	\$0	\$112,592	\$45,037	\$45,037	\$0	\$535,081
2022	\$115,632	\$115,632	\$133,252	\$133,252	\$0	\$0	\$0	\$23,126	\$23,126	\$0	\$115,632	\$46,253	\$46,253	\$0	\$549,528
2023	\$118,754	\$118,754	\$136,850	\$136,850	\$0	\$0	\$0	\$23,751	\$23,751	\$0	\$118,754	\$47,502	\$47,502	\$0	\$564,365
2024	\$121,961	\$121,961	\$140,545	\$140,545	\$0	\$0	\$0	\$24,392	\$24,392	\$0	\$121,961	\$48,784	\$48,784	\$0	\$579,603
2025	\$125,253	\$125,253	\$144,340	\$144,340	\$0	\$0	\$0	\$25,051	\$25,051	\$0	\$125,253	\$50,101	\$50,101	\$0	\$595,252
2026	\$128,635	\$128,635	\$148,237	\$148,237	\$0	\$0	\$0	\$25,727	\$25,727	\$0	\$128,635	\$51,454	\$51,454	\$0	\$611,324
2027	\$132,108	\$132,108	\$152,239	\$152,239	\$0	\$0	\$0	\$26,422	\$26,422	\$0	\$132,108	\$52,843	\$52,843	\$0	\$627,830
2028	\$135,675	\$135,675	\$156,350	\$156,350	\$0	\$0	\$0	\$27,155	\$27,155	\$0	\$135,675	\$54,270	\$54,270	\$0	\$644,781
2029	\$139,339	\$139,339	\$160,571	\$160,571	\$0	\$0	\$0	\$27,868	\$27,868	\$0	\$139,339	\$55,735	\$55,735	\$0	\$662,190
2030	\$143,101	\$143,101	\$164,907	\$164,907	\$0	\$0	\$0	\$28,620	\$28,620	\$0	\$143,101	\$57,240	\$57,240	\$0	\$680,069
2031	\$146,965	\$146,965	\$169,359	\$169,359	\$0	\$0	\$0	\$29,393	\$29,393	\$0	\$146,965	\$58,786	\$58,786	\$0	\$698,431
2032	\$150,933	\$150,933	\$173,932	\$173,932	\$0	\$0	\$0	\$30,187	\$30,187	\$0	\$150,933	\$60,373	\$60,373	\$0	\$717,289
2033	\$155,008	\$155,008	\$178,628	\$178,628	\$0	\$0	\$0	\$31,002	\$31,002	\$0	\$155,008	\$62,003	\$62,003	\$0	\$736,656
2034	\$159,193	\$159,193	\$183,451	\$183,451	\$0	\$0	\$0	\$31,839	\$31,839	\$0	\$159,193	\$63,677	\$63,677	\$0	\$756,546
2035	\$163,491	\$163,491	\$188,404	\$188,404	\$0	\$0	\$0	\$32,698	\$32,698	\$0	\$163,491	\$65,396	\$65,396	\$0	\$776,972
2036	\$167,905	\$167,905	\$193,491	\$193,491	\$0	\$0	\$0	\$33,581	\$33,581	\$0	\$167,905	\$67,162	\$67,162	\$0	\$797,951
2037	\$172,439	\$172,439	\$198,715	\$198,715	\$0	\$0	\$0	\$34,488	\$34,488	\$0	\$172,439	\$68,976	\$68,976	\$0	\$819,495
2038	\$177,095	\$177,095	\$204,081	\$204,081	\$0	\$0	\$0	\$35,419	\$35,419	\$0	\$177,095	\$70,838	\$70,838	\$0	\$841,622
2039	\$181,876	\$181,876	\$209,591	\$209,591	\$0	\$0	\$0	\$36,375	\$36,375	\$0	\$181,876	\$72,751	\$72,751	\$0	\$864,345
2040	\$186,787	\$186,787	\$215,250	\$215,250	\$0	\$0	\$0	\$37,357	\$37,357	\$0	\$186,787	\$74,715	\$74,715	\$0	\$887,683
2041	\$191,830	\$191,830	\$221,061	\$221,061	\$0	\$0	\$0	\$38,366	\$38,366	\$0	\$191,830	\$76,732	\$76,732	\$0	\$911,650
2042	\$197,010	\$197,010	\$227,030	\$227,030	\$0	\$0	\$0	\$39,402	\$39,402	\$0	\$197,010	\$78,804	\$78,804	\$0	\$936,265
2043	\$202,329	\$202,329	\$233,160	\$233,160	\$0	\$0	\$0	\$40,466	\$40,466	\$0	\$202,329	\$80,932	\$80,932	\$0	\$961,544
2044	\$207,792	\$207,792	\$239,455	\$239,455	\$0	\$0	\$0	\$41,558	\$41,558	\$0	\$207,792	\$83,117	\$83,117	\$0	\$987,505
2045	\$213,402	\$213,402	\$245,921	\$245,921	\$0	\$0	\$0	\$42,680	\$42,680	\$0	\$213,402	\$85,361	\$85,361	\$0	\$1,014,168
2046	\$219,164	\$219,164	\$252,560	\$252,560	\$0	\$0	\$0	\$43,833	\$43,833	\$0	\$219,164	\$87,666	\$87,666	\$0	\$1,041,551

Operating costs for owned space

Year	Utilities	Custodial	Maintenance	Security	Taxes	Insurance	Parking	Tenant Improv *	Mgt. Fees	Other Operating	Total Oper.
2047	\$225,081	\$225,081	\$259,380	\$0	\$0	\$45,016	\$0	\$225,081	\$90,033	\$0	\$1,069,673
	\$6,301,868	\$6,301,868	\$7,262,153	\$0	\$0	\$1,260,374	\$0	\$6,301,868	\$2,520,747	\$0	\$29,948,878
Operating Costs-Non State Agencies											
1998	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1999	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2001	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2002	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2003	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2004	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2006	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2007	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2008	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2009	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2010	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2011	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2012	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2013	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2014	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2015	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2016	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2017	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2018	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2019	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2020	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2021	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2022	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2023	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2024	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2025	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2026	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2027	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2028	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2029	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2030	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2031	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2032	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2033	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2034	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2035	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2036	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2037	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2038	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2039	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2040	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2041	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Acquisition Cost

Calculation of Total Cost of Acquisition	Project Cost
Building Value (Assumptions)	\$7,523,794
Land Value (Assumptions)	\$0
Appraisals & Closing Costs	
Programming, Site Analysis	
Environmental Analysis	
A/E Services	\$0
Acoustical Consultant	
Hazardous Material Consultant	
Communications Consultant	
Cost/Scheduling Consultant	
Electronic consultant	\$0
Geotechnical Investigation	
Commissioning	
Interior Design Consultant	
Landscape Consultnat	
Civil Design Consultant	
Site Survey	\$0
Testing	
Energy LCCA Review	
Value Engineering	
HVAC Consultant	\$0
Graphics	
Site Work	
Building Modifications (incl. Sales Taxes)	\$0
Artwork	
Interim Financing	
Temporary Utilities	
Security Services-Temporary	
Bonds	
Permits	
Agency Costs	\$0
DPD Services Cost	\$0
Mitigation/Impact Fees	
Other Costs	
Cost of Financing	\$150,476
Total Cost of Acquisition	\$7,674,270

Amortization

Amortization Schedule		Payment Calculation	
Year	Annual Payment		
			(\$669,077.82)
1998	(\$669,078)		
1999	(\$669,078)		
2000	(\$669,078)		
2001	(\$669,078)		
2002	(\$669,078)		
2003	(\$669,078)		
2004	(\$669,078)		
2005	(\$669,078)		
2006	(\$669,078)		
2007	(\$669,078)		
2008	(\$669,078)		
2009	(\$669,078)		
2010	(\$669,078)		
2011	(\$669,078)		
2012	(\$669,078)		
2013	(\$669,078)		
2014	(\$669,078)		
2015	(\$669,078)		
2016	(\$669,078)		
2017	(\$669,078)		
2018	\$0		
2019	\$0		
2020	\$0		
2021	\$0		
2022	\$0		
2023	\$0		
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			

Acquisition Cost

Calculation of Total Cost of Acquisition	Project Cost
Building Value (Assumptions)	\$7,523,794
Land Value (Assumptions)	\$0
Appraisals & Closing Costs	
Programming, Site Analysis	
Environmental Analysis	
A/E Services	\$0
Acoustical Consultant	
Hazardous Material Consultant	
Communications Consultant	
Cost/Scheduling Consultant	
Electronic consultant	\$0
Geotechnical Investigation	
Commissioning	
Interior Design Consultant	
Landscape Consultnat	
Civil Design Consultant	
Site Survey	\$0
Testing	
Energy LCCA Review	
Value Engineering	
HVAC Consultant	\$0
Graphics	
Site Work	
Building Modifications (incl. Sales Taxes)	\$0
Artwork	
Interim Financing	
Temporary Utilities	
Security Services-Temporary	
Bonds	
Permits	
Agency Costs	\$0
DPD Services Cost	\$0
Mitigation/Impact Fees	
Other Costs	
Cost of Financing	\$150,476
Total Cost of Acquisition	\$7,674,270

Residual Value

Residual Value - On a Market Value Basis				
Year	Building	Land		
1998	\$7,646,181	\$0		
1999	\$7,769,140	\$0		
2000	\$7,892,595	\$0		
2001	\$8,016,465	\$0		
2002	\$8,140,663	\$0		
2003	\$8,265,099	\$0		
2004	\$8,389,675	\$0		
2005	\$8,514,286	\$0		
2006	\$8,638,823	\$0		
2007	\$8,763,170	\$0		
2008	\$8,887,203	\$0		
2009	\$9,010,790	\$0		
2010	\$9,133,795	\$0		
2011	\$9,256,070	\$0		
2012	\$9,377,461	\$0		
2013	\$9,497,805	\$0		
2014	\$9,616,930	\$0		
2015	\$9,734,654	\$0		
2016	\$9,850,787	\$0		
2017	\$9,965,127	\$0		
2018	\$10,077,461	\$0		
2019	\$10,187,566	\$0		
2020	\$10,295,208	\$0		
2021	\$10,400,140	\$0		
2022	\$10,502,103	\$0		
2023	\$10,600,822	\$0		
2024	\$10,696,013	\$0		
2025	\$10,787,375	\$0		
2026	\$10,874,592	\$0		
2027	\$10,957,334	\$0		
2028	\$11,035,253	\$0		
2029	\$11,107,985	\$0		
2030	\$11,175,149	\$0		
2031	\$11,236,347	\$0		
2032	\$11,291,158	\$0		
2033	\$11,339,146	\$0		
2034	\$11,379,850	\$0		
2035	\$11,412,792	\$0		
2036	\$11,437,468	\$0		
2037	\$11,453,354	\$0		
2038	\$11,459,898	\$0		
2039	\$11,456,528	\$0		
2040	\$11,442,641	\$0		
2041	\$11,417,610	\$0		
2042	\$11,380,779	\$0		
2043	\$11,331,463	\$0		
2044	\$11,268,944	\$0		

Residual Value

2045	\$11,192,476	\$0		
2046	\$11,101,278	\$0		
2047	\$10,994,535	\$0		

Status Quo Information

Status Quo Information				
	Lease Rate	Lease Rate		Other Costs Square Foot
	Yearly Change	Change in 5 Years		For Status Quo Space
1998	\$17.60	\$17.60		\$0.340
1999	\$17.86	\$17.60		\$0.349
2000	\$18.13	\$17.60		\$0.359
2001	\$18.40	\$17.60		\$0.368
2002	\$18.68	\$17.60		\$0.378
2003	\$18.96	\$18.96		\$0.388
2004	\$19.24	\$18.96		\$0.399
2005	\$19.53	\$18.96		\$0.410
2006	\$19.83	\$18.96		\$0.421
2007	\$20.12	\$18.96		\$0.432
2008	\$20.63	\$20.63		\$0.444
2009	\$21.14	\$20.63		\$0.456
2010	\$21.67	\$20.63		\$0.468
2011	\$22.21	\$20.63		\$0.481
2012	\$22.77	\$20.63		\$0.494
2013	\$23.34	\$23.34		\$0.507
2014	\$23.92	\$23.34		\$0.521
2015	\$24.52	\$23.34		\$0.535
2016	\$25.13	\$23.34		\$0.549
2017	\$25.76	\$23.34		\$0.564
2018	\$26.40	\$26.40		\$0.579
2019	\$27.06	\$26.40		\$0.595
2020	\$27.74	\$26.40		\$0.611
2021	\$28.43	\$26.40		\$0.627
2022	\$29.15	\$26.40		\$0.644
2023	\$29.87	\$29.87		\$0.662
2024	\$30.62	\$29.87		\$0.680
2025	\$31.39	\$29.87		\$0.698
2026	\$32.17	\$29.87		\$0.717
2027	\$32.97	\$29.87		\$0.736
2028	\$33.80	\$33.80		\$0.756
2029	\$34.64	\$33.80		\$0.777
2030	\$35.51	\$33.80		\$0.798
2031	\$36.40	\$33.80		\$0.819
2032	\$37.31	\$33.80		\$0.841
2033	\$38.24	\$38.24		\$0.864
2034	\$39.20	\$38.24		\$0.887
2035	\$40.18	\$38.24		\$0.911
2036	\$41.18	\$38.24		\$0.936
2037	\$42.21	\$38.24		\$0.961
2038	\$43.27	\$43.27		\$0.987
2039	\$44.35	\$43.27		\$1.014
2040	\$45.46	\$43.27		\$1.041
2041	\$46.59	\$43.27		\$1.069
2042	\$47.76	\$43.27		\$1.098

Status Quo Information

2043	\$48.95	\$48.95			\$1.128	
2044	\$50.18	\$48.95			\$1.158	
2045	\$51.43	\$48.95			\$1.189	
2046	\$52.72	\$48.95			\$1.221	
2047	\$54.03	\$48.95			\$1.254	

Consolidated Analysis

Year	Rentable Square Footage	Lease Cost/Sq Ft	Other Costs/Sq Ft	Total Cash Flow Status Quo	Total NPV Status Quo	Operating Costs	Amortization Costs	Moving & Equipment	Residual Value (Terminal Year)	Revenue From Underutilized Space	Repair & Replacement	Total Cash Flow New Develop.	Total NPV New Develop.
1998	58,103	1	\$17.60	\$1,042,368	\$974,176	\$289,934	\$669,078	\$0	\$0	\$0	\$87,155	\$1,046,166	\$977,726
1999	58,103	1	\$17.60	\$1,042,901	\$910,910	\$297,162	\$669,078	\$0	\$0	\$0	\$89,508	\$1,056,348	\$922,655
2000	58,103	1	\$17.60	\$1,043,449	\$851,765	\$305,802	\$669,078	\$0	\$0	\$0	\$91,924	\$1,066,804	\$870,830
2001	58,103	1	\$17.60	\$1,044,012	\$796,471	\$314,058	\$669,078	\$0	\$0	\$0	\$94,406	\$1,077,543	\$822,052
2002	58,103	1	\$17.60	\$1,044,589	\$744,778	\$322,538	\$669,078	\$0	\$0	\$0	\$96,955	\$1,088,571	\$776,136
2003	58,103	1	\$18.96	\$1,124,214	\$749,111	\$331,247	\$669,078	\$0	\$0	\$0	\$99,573	\$1,099,897	\$732,908
2004	58,103	1	\$18.96	\$1,124,824	\$700,484	\$340,190	\$669,078	\$0	\$0	\$0	\$102,262	\$1,111,530	\$692,205
2005	58,103	1	\$18.96	\$1,125,450	\$655,022	\$349,375	\$669,078	\$0	\$0	\$0	\$105,023	\$1,123,476	\$653,873
2006	58,103	1	\$18.96	\$1,126,092	\$612,520	\$358,808	\$669,078	\$0	\$0	\$0	\$107,858	\$1,135,745	\$617,770
2007	58,103	1	\$18.96	\$1,126,752	\$572,784	\$368,496	\$669,078	\$0	\$0	\$0	\$110,770	\$1,148,345	\$583,760
2008	58,103	1	\$20.63	\$1,224,262	\$581,638	\$378,446	\$669,078	\$0	\$0	\$0	\$113,761	\$1,161,285	\$551,718
2009	58,103	1	\$20.63	\$1,224,958	\$543,896	\$388,664	\$669,078	\$0	\$0	\$0	\$116,833	\$1,174,574	\$521,525
2010	58,103	1	\$20.63	\$1,225,673	\$508,611	\$399,158	\$669,078	\$0	\$0	\$0	\$119,987	\$1,188,223	\$493,070
2011	58,103	1	\$20.63	\$1,226,408	\$475,622	\$409,935	\$669,078	\$0	\$0	\$0	\$123,227	\$1,202,240	\$466,249
2012	58,103	1	\$20.63	\$1,227,162	\$444,780	\$421,003	\$669,078	\$0	\$0	\$0	\$126,554	\$1,216,635	\$440,965
2013	58,103	1	\$23.34	\$1,385,426	\$469,292	\$432,370	\$669,078	\$0	\$0	\$0	\$129,971	\$1,231,419	\$417,124
2014	58,103	1	\$23.34	\$1,386,222	\$438,842	\$444,044	\$669,078	\$0	\$0	\$0	\$133,480	\$1,246,602	\$394,642
2015	58,103	1	\$23.34	\$1,387,038	\$410,375	\$456,033	\$669,078	\$0	\$0	\$0	\$137,084	\$1,262,195	\$373,438
2016	58,103	1	\$23.34	\$1,387,877	\$383,760	\$468,346	\$669,078	\$0	\$0	\$0	\$140,785	\$1,278,210	\$353,436
2017	58,103	1	\$26.40	\$1,567,809	\$358,877	\$480,992	\$669,078	\$0	\$0	\$0	\$144,587	\$1,294,656	\$334,564
2018	58,103	1	\$26.40	\$1,568,718	\$337,646	\$493,978	\$669,078	\$0	\$0	\$0	\$148,491	\$642,469	\$155,165
2019	58,103	1	\$26.40	\$1,569,651	\$354,080	\$507,316	\$669,078	\$0	\$0	\$0	\$152,500	\$659,816	\$148,929
2020	58,103	1	\$26.40	\$1,570,609	\$331,113	\$521,013	\$669,078	\$0	\$0	\$0	\$156,617	\$677,631	\$142,944
2021	58,103	1	\$26.40	\$1,571,594	\$309,640	\$535,081	\$669,078	\$0	\$0	\$0	\$160,846	\$695,927	\$137,200
2022	58,103	1	\$26.40	\$1,571,594	\$289,565	\$549,528	\$669,078	\$0	(\$10,502,103)	\$0	\$165,189	(\$9,767,386)	(\$1,803,318)
2023	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2024	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2025	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2026	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2027	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2028	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2029	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2030	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2031	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2032	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2033	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2034	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2035	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2036	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2037	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2038	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2039	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2040	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Consolidated Analysis

2041	0	0	\$0.00	\$0.000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2042	0	0	\$0.00	\$0.000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2043	0	0	\$0.00	\$0.000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2044	0	0	\$0.00	\$0.000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2045	0	0	\$0.00	\$0.000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2046	0	0	\$0.00	\$0.000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2047	0	0	\$0.00	\$0.000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PV Space	677,108	###			\$31,756,798	\$13,846,758	\$0	\$10,164,118	\$13,381,556	\$0	(\$10,502,103)	\$0	\$3,055,346	\$16,098,918	\$10,777,565	\$0	\$0	\$0	\$0	\$0
PV Space	58,103				\$13,846,758		\$0	\$4,324,422	\$7,088,220	\$0	(\$1,935,004)	\$0	\$1,299,927	\$10,777,565		\$0	\$0	\$0	\$0	\$0

Base Year Annual Equivalent

Annual Rent Equivalent Factor

Yrs	25	25	25
Esc?	Nominal	Esc	Esc equivalent
		1.5%	1.5%

Discount Rate	7.0%	7.0%	7.0%
Base Year Payment Factor	0.08581	0.08581	
Gradient	1.00000	1.00000	1.1431
First Payment	0.0858105	0.0858105	

1	0.085810517	0.085810517	0.075068465	annual equivalent
2	0.085810517	0.087097675	0.076194492	
3	0.085810517	0.08840414	0.077337409	
4	0.085810517	0.089730202	0.07849747	
5	0.085810517	0.091076155	0.079674932	
6	0.085810517	0.092442298	0.080870056	
7	0.085810517	0.093828932	0.082083107	
8	0.085810517	0.095236366	0.083314354	
9	0.085810517	0.096664912	0.084564069	
10	0.085810517	0.098114885	0.08583253	
11	0.085810517	0.099586608	0.087120018	
12	0.085810517	0.101080408	0.088426818	
13	0.085810517	0.102596614	0.08975322	
14	0.085810517	0.104135563	0.091099519	
15	0.085810517	0.105697596	0.092466012	
16	0.085810517	0.10728306	0.093853002	
17	0.085810517	0.108892306	0.095260797	
18	0.085810517	0.110525691	0.096689709	
19	0.085810517	0.112183576	0.098140054	
20	0.085810517	0.11386633	0.099612155	
21	0.085810517	0.115574325	0.101106337	
22	0.085810517	0.11730794	0.102622932	
23	0.085810517	0.119067559	0.104162276	
24	0.085810517	0.120853572	0.105724711	
25	0.085810517	0.122666376	0.107310581	
26	0	0	0	
27	0	0	0	
28	0	0	0	
29	0	0	0	
30	0	0	0	
31	0	0	0	
32	0	0	0	
33	0	0	0	
34	0	0	0	

Base Year Annual Equivalent

35	0	0	0
36	0	0	0
37	0	0	0
38	0	0	0
39	0	0	0
40	0	0	0
41	0	0	0
42	0	0	0
43	0	0	0
44	0	0	0
45	0	0	0
46	0	0	0
47	0	0	0
48	0	0	0
49	0	0	0
50	0	0	0

\$1.0000 \$1.1431 \$1.0000

Appendix C: RCW 43.82.010, Acquisition, Lease and Disposal of Real Estate for State

RCW 43.82.010 Acquisition, lease, and disposal of real estate for state agencies—Long-range planning—Use of lease as collateral or security—Colocation and consolidation—Studies—Delegation of functions—Exemptions. (1) The director of general administration, on behalf of the agency involved, shall purchase, lease, lease purchase, rent, or otherwise acquire all real estate, improved or unimproved, as may be required by elected state officials, institutions, departments, commissions, boards, and other state agencies, or federal agencies where joint state and federal activities are undertaken and may grant easements and transfer, exchange, sell, lease, or sublease all or part of any surplus real estate for those state agencies which do not otherwise have the specific authority to dispose of real estate. This section does not transfer financial liability for the acquired property to the department of general administration.

(2) Except for real estate occupied by federal agencies, the director shall determine the location, size, and design of any real estate or improvements thereon acquired or held pursuant to subsection (1) of this section. Facilities acquired or held pursuant to this chapter, and any improvements thereon, shall conform to standards adopted by the director and approved by the office of financial management governing facility efficiency unless a specific exemption from such standards is provided by the director of general administration. The director of general administration shall report to the office of financial management annually on any exemptions granted pursuant to this subsection.

(3) The director of general administration may fix the terms and conditions of each lease entered into under this chapter, except that no lease shall extend greater than twenty years in duration. The director of general administration may enter into a long-term lease greater than ten years in duration upon a determination by the director of the office of financial management that the long-term lease provides a more favorable rate than would otherwise be available, it appears to a substantial certainty that the facility is necessary for use by the state for the full length of the lease term, and the facility meets the standards adopted pursuant to subsection (2) of this section. The director of general administration may enter into a long-term lease greater than ten years in duration if an analysis shows that the life-cycle cost of leasing the facility is less than the life-cycle cost of purchasing or constructing a facility in lieu of leasing the facility....

(5) It is the policy of the state to encourage the colocation and consolidation of state services into single or adjacent facilities, whenever appropriate, to improve public service delivery, minimize duplication of facilities, increase efficiency of operations, and promote sound growth management planning.

(6) The director of general administration shall provide coordinated long-range planning services to identify and evaluate opportunities for collocating and consolidating state facilities. Upon the renewal of any lease, the inception of a new lease, or the purchase of a facility, the director of general administration shall determine whether an opportunity exists for collocating the agency or agencies in a single facility with other agencies located in the same geographic area. If a colocation opportunity exists, the director of general administration shall consult with the affected state agencies and the office of financial management to evaluate the impact colocation would have on the cost and delivery of agency programs, including whether program delivery would be enhanced due to the centralization of services. The director of general administration, in consultation with the office of financial management, shall develop procedures for implementing colocation and consolidation of state facilities.

(7) The director of general administration is authorized to purchase, lease, rent, **or otherwise acquire improved or unimproved real estate as owner or lessee and to lease or sublet** all or a part of such real estate to state or federal agencies. The director of general administration shall charge each using agency its proportionate rental which shall include an amount sufficient to pay all costs, including, but not limited to, those for utilities, janitorial and accounting services, and sufficient to provide for contingencies; which shall not exceed five percent of the average annual rental, to meet unforeseen expenses incident to management of the real estate.

(8) If the director of general administration determines that it is necessary or advisable to undertake any work, construction, alteration, repair, or improvement on any real estate acquired pursuant to subsection (1) or (7) of this section, the director shall cause plans and specifications thereof and an estimate of the cost of such work to be made and filed in his or her office and the state agency benefiting thereby is hereby authorized to pay for such work out of any available funds: PROVIDED, That the cost of executing such work shall not exceed the sum of twenty-five thousand dollars. Work, construction, alteration, repair, or improvement in excess of twenty-five thousand dollars, other than that done by the owner of the property if other than the state, shall be performed in accordance with the public works law of this state.

(9) In order to obtain maximum utilization of space, the director of general administration shall make space utilization studies, and shall establish standards for use of space by state agencies. Such studies shall include the identification of opportunities for colocation and consolidation of state agency office and support facilities.

(10) The director of general administration may construct new buildings on, or improve existing facilities, and furnish and equip, all real estate under his or her management. Prior to the construction of new buildings or major improvements to existing facilities or acquisition of facilities using a lease purchase contract, the director of general administration shall conduct an evaluation of the facility design and budget using life-cycle cost analysis, value-engineering, and other techniques to maximize the long-term effectiveness and efficiency of the facility or improvement.

(11) All conveyances and contracts to purchase, lease, rent, transfer, exchange, or sell real estate and to grant and accept easements shall be approved as to form by the attorney general, signed by the director of general administration or the director's designee, and recorded with the county auditor of the county in which the property is located.

(12) The director of general administration may delegate any or all of the functions specified in this section to any agency upon such terms and conditions as the director deems advisable.

(13) This section does not apply to the acquisition of real estate by:

(a) The state college and universities for research or experimental purposes;

(b) The state liquor control board for liquor stores and warehouses; and

(c) The department of natural resources, the department of fish and wildlife, the department of transportation, and the state parks and recreation commission for purposes other than the leasing of offices, warehouses, and real estate for similar purposes.

(14) Notwithstanding any provision in this chapter to the contrary, the department of general administration may negotiate ground leases for public lands on which property is to be acquired under a financing contract pursuant to chapter 39.94 RCW under terms approved by the state finance committee. [1997 c 117 § 1. Prior: 1994 c 264 § 28; 1994 c 219 § 7; 1990 c 47 § 1; 1988 c 36 § 20; 1982 c 41 § 1; 1969 c 121 § 1; 1967 c 229 § 1; 1965 c 8 § 43.82.010; prior: 1961 c 184 § 1; 1959 c 255 § 1.]

Appendix D: Tumwater Property Purchase Agreement

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("Agreement") is made by and between the PORT OF OLYMPIA, a Washington municipal corporation, ("Seller"), and STATE OF WASHINGTON, DEPARTMENT OF GENERAL ADMINISTRATION, ("Purchaser").

Recitals

A. Seller owns that certain real property described on "Exhibit A" attached hereto and by this reference incorporated herein.

B. The subject Property consists of approximately twenty and eighty-one hundredths (20.81) acres in total.

C. Seller desires to sell the property and the Purchaser desires to purchase the property.

Agreement

NOW, THEREFORE, in consideration of the mutual promises set forth below, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Offer and Acceptance. Purchaser offers and agrees to purchase from Seller and Seller accepts such offer and agrees to sell and convey to Purchaser all of Seller's right, title and interest in and to that parcel of land and all improvements thereon identified on the attached Exhibit "A", including any and all personal property located on and used in the operation of the improvements, in the City of Tumwater, County of Thurston, State of Washington (collectively, the "Property").

2. Purchase Price. The purchase price shall be Four Million Eighty Thousand Dollars and No Cents (\$4,080,000.00). The cost of the appraisal shall be shared equally by Seller and Purchaser. All of the purchase price shall be paid in cash at the time of closing.

3. Conditions.

3.1 The obligations of the Purchaser under this Agreement are further subject to the Purchaser obtaining, approving, and accepting the following information and reports, and receiving the following necessary approvals on or before November 30, 1993.

3.1.1 A Phase I hazardous waste audit, to be conducted at Purchaser's expense.

3.1.2. Receipt, review and approval of the real estate appraisal made pursuant to Section 2.

3.1.3 Receipt, review and approval of the title insurance commitment described in Section 5.2 below.

3.1.4. Final review and approval of the Office of Financial Management of the State of Washington.

3.1.5 Final review and approval of this document as to form by the Office of the Attorney General of the State of Washington.

3.1.6 Final review and approval for sale of property by Port of Olympia Commission.

3.2 The obligations of Seller under this Agreement are subject to the following conditions, any of which may be waived by Seller in Seller's sole discretion:

3.2.1. Purchaser's continued support of the program developed or being developed by Seller for the expenditure of funds received by Seller hereunder.

3.2.2. Seller shall have received the approval of the Federal Aviation Administration for the sale of the Property.

3.3 Closing shall be not later than November 30, 1993 in the offices of Thurston County Title Company, or an alternate location as mutually agreed between Seller and Purchaser.

3.3.1. Any utilities such as electricity, water, gas, oil, etc., and real estate property taxes shall be prorated to the date of closing.

4. Escrow. The parties shall deposit this Agreement and such other documents and monies as are required hereby into an escrow (the "Escrow") established with Thurston County Title Insurance Company (the "Closing Agent").

5. Title/Title Insurance.

5.1 Subject to performance by the Purchaser, the Seller agrees to execute and deliver on the date of closing a Special Warranty Deed to the subject Property free and clear of all encumbrances except leases to be assigned to Purchaser, other exceptions which are acceptable to the Purchaser, and the following:

5.1.1. Such deed may contain restrictions on Purchaser's use of the Property, restricting the use of the Property for state executive offices for agencies of the State of Washington (defined as those state executive offices which are required to be maintained at the seat of government pursuant to Article XIV of the Constitution of Washington and court decisions and attorney general opinions thereunder), prohibiting the use of the Property for shops, yards or similar uses, and providing Purchaser with a fee simple determinable estate in the property granting Seller a possibility of reverter if such restrictions are not met or if construction of two or more buildings meeting the foregoing requirement has not commenced within ten (10) years after the date of closing.

5.1.2. Upon any reversion of the Property to Seller due to a failure of Purchaser to commence construction of the declared building, Seller shall be obligated to refund the purchase price for the Property to Purchaser. Such refund shall be made by paying ten (10) percent of such amount immediately upon such reversion. The balance shall be paid in ten equal annual installments of principal and interest due on each anniversary thereafter. Such balance shall bear interest at a rate per annum equal to seventy (70) percent of the composite prime rate of interest published in the Wall Street Journal "Money Rates" column (or its successor) on the date of the reversion.

5.1.3. The Property will be subject to Seller's retention of an avigation easement in accordance with Seller's standard terms and conditions therefor.

5.2 Within ten (10) days after the execution of this Agreement, Seller shall ask Thurston County Title Company to issue and deliver to Purchaser a preliminary commitment for an ALTA owner's standard coverage policy of title insurance for the Property. Purchaser shall notify the Seller of any objection to the title by November 15, 1993. The Seller shall have until November 30, 1993 to remove said title objections. If Seller is unable or unwilling to cure or to insure over said exceptions by use of said efforts, Seller shall so notify Purchaser, and Purchaser shall have ten (10) days to notify Seller in writing of its election to either:

5.2.1 Terminate this Agreement, by written notice to Seller and thereafter neither party shall have any further rights or liabilities hereunder: or

5.2.2. Waive its objections to title exceptions and, in such event, Seller shall remove or insure over the exceptions that Seller was able or willing to remove or insure over, and the parties shall close the transaction contemplated by this Agreement.

In the event Purchaser fails to notify Seller of its elections as provided herein, Purchaser will be deemed to have waived its objections to title.

6. Date of Closing. Closing of this transaction shall occur in the offices of the Closing Agent, on or before November 30, 1993. For purposes of this Agreement the "closing" shall have occurred when all appropriate documents are recorded and the proceeds of the sale are available for disbursement to Seller.

7. Closing Costs. Seller shall pay the following costs and expenses in connections with this transaction:

- a. Seller's attorneys' fees (if any);
- b. One-half (1/2) escrow fee;
- c. Real property taxes shall be prorated to the date of closing;
- d. Real estate excise taxes or transfer taxes due on the conveyance, if any;
- e. All special assessment installments and local improvement district assessment installments affecting the Property (other than those resulting from actions of the parties pursuant to the Partnering Agreement described above, which shall be assumed by Purchaser) shall be paid in full;
- f. One-half (1/2) of the expense of a survey, if any.
- g. Title insurance premium or abstract fee and sales tax thereon, if any;

Purchaser shall pay the following costs and expenses in connection with this transaction:

- a. Purchaser's attorneys' fees;
- b. One-half (1/2) the Escrow fees;
- c. Fees for recording of the Special Warranty Deed;
- d. Real property taxes shall be prorated with Seller paying the portion accruing for the period up to the date of closing. State of Washington is exempt from real estate taxes;
- e. One-half (1/2) of Seller's cost of obtaining the wetlands assessment/survey.
- f. One-half (1/2) of the expense of a survey, if any.

8. Governmental Approval. Seller shall use its best reasonable efforts to obtain the approval of the Federal Aviation Administration. The closing date shall be extended for such period as may be required to obtain such approval but in any event not later than December 31, 1993.

9. Possession. Purchaser shall be entitled to possession of the Property upon the date of closing.

10. Condition of Premises. Purchaser offers to purchase the Property in an "as-is" condition, with all physical defects, including those that cannot be observed by casual inspection. Seller shall have no obligation to repair or remedy any physical defects of the Property. Purchaser acknowledges that Purchaser has examined and inspected all matters with respect to taxes, bonds, permissible uses, zoning, covenants, conditions, and restrictions, environmental matters, and all other matters bearing upon the value, condition and fitness of the Property in Purchaser's judgment and for Purchaser's purposes, and Purchaser shall rely solely on its own inspection and examination of such items and not on any representations of Seller, Seller's agents or employees, except those contained herein. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, SELLER MAKES NO REPRESENTATIONS OR WARRANTIES AND SHALL NOT IN ANY WAY BE LIABLE FOR ANY REPRESENTATIONS OR WARRANTIES WITH RESPECT TO: (A) THE DIMENSION, SIZE OR ACREAGE OF THE PREMISES; (B) THE CONDITION OF THE PREMISES OR ANY BUILDINGS, STRUCTURES OR IMPROVEMENTS THEREON OR THE SUITABILITY OF THE PREMISES FOR HABITATION OR FOR PURCHASER'S INTENDED USE OR FOR ANY USE WHATSOEVER; (C) ANY ENVIRONMENTAL, BUILDING, ZONING OR FIRE LAWS OR REGULATIONS OR WITH RESPECT TO COMPLIANCE THEREWITH OR WITH RESPECT TO THE EXISTENCE OF OR COMPLIANCE WITH ANY REQUIRED PERMITS, IF ANY, OF ANY GOVERNMENTAL AGENCY APPLICABLE TO THE PREMISES; OR (D) THE ABSENCE OF ASBESTOS OR ANY HAZARDOUS SUBSTANCES ON, IN, OR UNDER THE PREMISES. PURCHASER ACKNOWLEDGES TO SELLER THAT PURCHASER HAS FULLY INSPECTED THE PREMISES AND PURCHASER ASSUMES THE RESPONSIBILITY AND RISKS OF ALL DEFECTS AND CONDITIONS, INCLUDING SUCH DEFECTS AND CONDITIONS, IF ANY, THAT CANNOT BE OBSERVED BY CASUAL INSPECTION.

10.1 Seller hereby grants to Purchaser a license to enter upon the Property for all purposes reasonably related to a full and adequate determination of the suitability of the Property for Purchaser's purposes and for all purposes reasonably related to Purchaser's development plans therefor, including, without limitation, the right of Purchaser to conduct a feasibility study. Purchaser shall indemnify and hold Seller harmless from all

liability and damages arising out of Purchaser's exercise of the license granted herein and shall conduct such activities so as not to disrupt or interfere with the use and quiet enjoyment of the Property by Seller's tenants.

11. Commission. Each party warrants and represents to the other that no real estate brokerage commission or fee of any kind or type are due or payable on this transaction.

12. Time is of the Essence. Time is of the essence of this Agreement. In case Purchaser fails to comply with or perform any condition or agreement hereof or to make any payment required, Seller may elect, by written notice to Purchaser, to declare all Purchaser's rights hereunder terminated, and upon its doing so all payments made by Purchaser hereunder shall be deemed earned by Seller, or Seller may, at its election, treat this Agreement as being in full force and effect and pursue its remedies, including an action for damages or to specifically enforce its provisions. No waiver by Seller of any default on the part of the Purchaser shall be construed as a waiver of any subsequent default.

13. Notices. Any notices required or permitted to be given shall be in writing and delivered either in person or by certified mail, return receipt requested, postage prepaid, addressed as follows or to such other address as may be designated by either party:

SELLER: Port of Olympia
Post Office Box 827
Olympia, Washington 98507
ATTN: Heber Kennedy

PURCHASER: Department of General Administration
Division of Property Development
Post Office Box 41015
Olympia, Washington 98504-1015
ATTN: A. C. Morgan

Any notice given pursuant to this Agreement shall be deemed effective the day it is personally delivered or three (3) business days after the date it is deposited in the United States mails.

14. Entire Agreement. All understandings and agreements previously existing between the parties, if any, are merged into this Agreement and the Partnering Agreement, which together fully and completely expresses their agreement, and the same is entered into after full investigation, neither party relying upon any statement or representation made by the other not embodied herein. This Agreement shall not be changed or terminated orally.

15. Leases. If any portion of the Property is currently encumbered by lease(s), all rents shall be prorated to the date of closing and any unearned rents or prepaid rents, damage or security deposits shall be transferred to Purchaser.

16. Lease Assignments. All leases, rental agreements or rental arrangements of any type shall be assigned by the Seller to the Purchaser at the time of closing.

17. Non-Foreign Affidavit. Seller is not a foreign person as the term is used and defined in Section 1445 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder. Seller shall, upon request of Purchaser, complete an affidavit to the effect.

18. Environmental Concerns. The Seller warrants that, to its knowledge, no hazardous substance, toxic waste, or other toxic substance has been produced, disposed of, or is or has been kept on the premises by the Seller, during the Seller's ownership of the Property, which if found on the property would subject the owner or user to any damages, penalty, or liability under an applicable local, state or federal law or regulation. The warranty shall survive closing for a period of ten (10) years for matters arising prior to closing date of this transaction and further, Seller's total financial obligations shall not exceed \$250,000.00. To the extent that the cost of any remediation would exceed \$250,000.00, the Purchaser shall have the option of either seeking \$250,000 from Seller and retaining the property at which point the Seller will have no further liability under the terms of this warranty beyond \$250,000.00 or the Purchaser shall have the option of returning the property to Port for a full refund of purchase price. The parties hereto are aware of petroleum spill at Texaco bulk plant site east of subject property in 1983 and agree the spill does not constitute grounds for action under this warranty.

19. Assignment. Seller agrees that this instrument and all rights, title and interest of the Purchaser are fully assignable by the Purchaser to the following departments of the State of Washington subject, however, to the covenants, conditions and restrictions expressed or referenced herein:

20. Purchaser's Title Information. Unless otherwise notified by Purchaser in writing prior to the date of closing, Seller shall convey the Property to Purchaser as follows:

State of Washington, Department of General Administration

21. Recording. Neither this Agreement nor any memorandum or other evidence hereof shall be recorded or placed of record

This agreement, consisting of Nine (9) pages has been made, signed and sealed in quadruplicate by the parties hereto this 16th day of December, 1993.
triplicate

PURCHASER:

State of Washington, Department
of General Administration

By: *Scott A. Reed*

Title: DEPUTY DIRECTOR

SELLER:

PORT OF OLYMPIA

By: *John M. DeWitt*

Title: Executive Director

APPROVED:

UNITED STATES FEDERAL
AVIATION ADMINISTRATION

By: *J. Wade Bryant*

Title: MGR SEA ADO

A. C. Morgan
A. C. Morgan, Facilities/Planning Manager
Division of Property Development

APPROVED AS TO FORM:

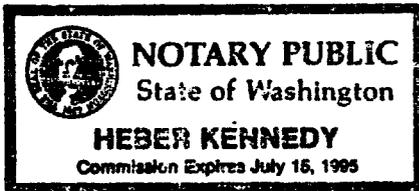
Date: 10-18-93

By: *Marjorie Amick*
Assistant Attorney General

STATE OF WASHINGTON)
) ss.
County of THURSTON)

On this 29 day of OCTOBER, A.D., 1993, before me personally appeared JOHN M. MOHR, to me known to be the EXECUTIVE DIRECTOR of the corporation that executed the within and foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that HE was authorized to execute said instrument and that the seal affixed thereto is the corporate seal of said corporation.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.



Heber Kennedy
Notary Public in and for the State of Washington,
Residing at Tumwater
My commission expires 7-15-95

STATE OF WASHINGTON)
) ss.
County of Thurston)

I, the undersigned, a Notary Public, do hereby certify that on this 18th day of October, 1993, personally appeared before me GRANT FREDRICKS, Deputy Director, Department of General Administration, State of Washington, to me known to be the individual described in and who executed the within instrument, and acknowledged that he signed and sealed the same as the free and voluntary act and deed of the Department, for the purposes and uses therein mentioned, and on oath stated that he was duly authorized to execute said document.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.

M. Elizabeth Longnecker
Notary Public in and for the State of Washington,
Residing at Olympia
My commission expires 9-15-94

Exhibit "A"
(Six Pages)

Consisting of the legal descriptions for Parcels "J", "K" and "L".

LEGAL DESCRIPTIONS
PORT PROPERTY NORTH OF AIRDUSTRIAL
WEST OF LINDERSON WAY

Parcel "J" as shown on Record of Survey recorded in Volume 32 of Surveys at Page 59.

That portion of the Northwest quarter of Section 10, Township 17 North, Range 2 West, W.M., Thurston County, Washington described as follows:

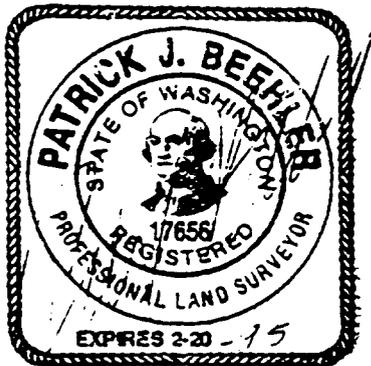
Commencing at the North quarter corner of said Section 10; thence North $87^{\circ}36'00''$ West, along the North line of said Northwest quarter, 50.00 feet to the West margin of Linderson Way and the point of beginning; thence South $01^{\circ}57'19''$ West 329.13 feet along said West margin; thence North $87^{\circ}36'00''$ West 946.05 feet; thence North $02^{\circ}24'00''$ East 329.12 feet to the North line of said Northwest quarter; thence South $87^{\circ}36'00''$ East along said North line 943.49 feet to the point of beginning.

Containing 7.14 acres, more or less.

Together with and subject to an easement for access and utilities 60.00 feet in width, being 30.00 feet on each side of the boundary line between Parcels "J" and "L" as shown on survey recorded in Volume 32 of Surveys at Page 59; and those portions of Tracts "J", "K", and "L", as shown on said recorded survey, included within the circumference of a circle having a radius of 60.00 feet, the center of said circle being at the corner common to said Tracts "J" and "L" on the East line of Tract "K"; and that portion of said Tract "J" lying Southerly of a curve concave to the North having a radius of 35.00 feet which curve is tangent to both the aforescribed curve having a radius of 60.00 feet and the North line of the aforescribed 60.00 easement; and that portion of said Tract "L" lying Northerly of a curve concave to the South having a radius of 35.00 feet which curve is tangent to both the aforescribed curve

having a radius of 60.00 feet and the South line of the
aforedescribed 60.00 foot easement; and that portion of said Tract
"J" lying Southeasterly of a curve concave to the Northwest having a
radius of 35.00 feet which curve is tangent to both the North line
of the aforedescribed 60.00 foot easement and the East line of said
Tract "J"; and that portion of said Tract "L" lying Northeasterly of
a curve concave to the Southwest having a radius of 35.00 feet which
curve is tangent to both the South line of the aforedescribed 60.00
foot easement and the East line of said Tract "L".

Prepared at the request of
Heber Kennedy
June 29, 1993




Patrick J. Beehler, P.L.S.
Certificate #17656

LEGAL DESCRIPTIONS
PORT PROPERTY NORTH OF AIRINDUSTRIAL
WEST OF LINDERSON WAY

Parcel "K" as shown on Record of Survey recorded in Volume 32 of Surveys at Page 59.

That portion of the Northwest quarter of Section 10, Township 17 North, Range 2 West, W.M., Thurston County, Washington, described as follows:

Commencing at the North quarter corner of said Section 10; thence North $87^{\circ}36'00''$ West along the North line of said Northwest quarter 50.00 feet to the West margin of Linderson Way; continuing thence North $87^{\circ}36'00''$ West along said North line of the Northwest quarter 943.49 feet to the point of beginning; thence South $02^{\circ}24'00''$ West 562.77 feet to the North margin of Airdustrial Way; thence North $70^{\circ}00'16''$ West along said North margin 671.13 feet to the Easterly margin of the Northbound on ramp to I-5; thence North $11^{\circ}49'26''$ East along said Easterly margin 350.89 feet; thence North $15^{\circ}54'36''$ East along said Easterly margin 14.12 feet to the North line of said Northwest quarter; thence South $87^{\circ}36'00''$ East along said North line 578.98 feet to the point of beginning.

Containing 6.53 acres, more or less.

Together with and subject to an easement for access and utilities 60.00 feet in width, being 30.00 feet on each side of the boundary line between Parcels "J" and "L" as shown on survey recorded in Volume 32 of Surveys at Page 59; and those portions of Tracts "J", "K", and "L", as shown on said recorded survey, included within the circumference of a circle having a radius of 60.00 feet, the center of said circle being at the corner common to said Tracts "J" and "L" on the East line of Tract "K"; and that portion of said Tract "J" lying Southerly of a curve concave to the North having a radius of 35.00 feet which curve is tangent to both the aforescribed curve

having a radius of 60.00 feet and the North line of the
aforedescribed 60.00 easement; and that portion of said Tract "L"
lying Northerly of a curve concave to the South having a radius of
35.00 feet which curve is tangent to both the aforedescribed curve
having a radius of 60.00 feet and the South line of the
aforedescribed 60.00 foot easement; and that portion of said Tract
"J" lying Southeasterly of a curve concave to the Northwest having a
radius of 35.00 feet which curve is tangent to both the North line
of the aforedescribed 60.00 foot easement and the East line of said
Tract "J"; and that portion of said Tract "L" lying Northeasterly of
a curve concave to the Southwest having a radius of 35.00 feet which
curve is tangent to both the South line of the aforedescribed 60.00
foot easement and the East line of said Tract "L".



Prepared at the request of
Heber Kennedy
June 29, 1993


Patrick J. Beehler, P.L.S.
Certificate #17656

LEGAL DESCRIPTIONS
PORT PROPERTY NORTH OF AIRINDUSTRIAL
WEST OF LINDERSON WAY

Parcel "L" as shown on Record of Survey recorded in Volume 32 of Surveys at Page 59.

That portion of the Northwest quarter of Section 10, Township 17 North, Range 2 West, W.M., Thurston County, Washington described as follows:

Commencing at the North quarter corner of said Section 10; thence North $87^{\circ}36'00''$ West along the North line of said Northwest quarter 50.00 feet to the West margin of Linderson Way; thence South $01^{\circ}57'19''$ West along said West margin 329.13 feet to the point of beginning; continuing thence South $01^{\circ}57'19''$ West along said West margin 316.42 feet to a curve concave Northwesterly the radius point of which bears North $88^{\circ}02'41''$ West 50.00 feet; thence Southwesterly along said curve through a central angle of $89^{\circ}59'31''$ for a distance of 78.53 feet to the North margin of Airdustrial Way; thence North $88^{\circ}03'10''$ West along said North margin 201.99 feet to a curve concave Northerly the radius point of which bears North $01^{\circ}56'50''$ East 1150.00 feet; thence Westerly along said curve through a central angle of $13^{\circ}57'46''$ for a distance of 280.25 feet; thence North $74^{\circ}05'24''$ West along said North margin 401.05 feet; thence North $70^{\circ}00'16''$ West along said North margin 30.65 feet; thence North $02^{\circ}24'00''$ East 233.65 feet; thence South $87^{\circ}36'00''$ East 946.05 feet to the point of beginning.

Containing 7.14 acres, more or less.

Together with and subject to an easement for access and utilities 60.00 feet in width, being 30.00 feet on each side of the boundary line between Parcels "J" and "L" as shown on survey recorded in Volume 32 of Surveys at Page 59; and those portions of Tracts "J",

"K", and "L", as shown on said recorded survey, included within the circumference of a circle having a radius of 60.00 feet, the center of said circle being at the corner common to said Tracts "J" and "L" on the East line of Tract "K"; and that portion of said Tract "J" lying Southerly of a curve concave to the North having a radius of 35.00 feet which curve is tangent to both the aforescribed curve having a radius of 60.00 feet and the North line of the aforescribed 60.00 easement; and that portion of said Tract "L" lying Northerly of a curve concave to the South having a radius of 35.00 feet which curve is tangent to both the aforescribed curve having a radius of 60.00 feet and the South line of the aforescribed 60.00 foot easement; and that portion of said Tract "J" lying Southeasterly of a curve concave to the Northwest having a radius of 35.00 feet which curve is tangent to both the North line of the aforescribed 60.00 foot easement and the East line of said Tract "J"; and that portion of said Tract "L" lying Northeasterly of a curve concave to the Southwest having a radius of 35.00 feet which curve is tangent to both the South line of the aforescribed 60.00 foot easement and the East line of said Tract "L".

Prepared at the request of
Heber Kennedy
June 29, 1993



Patrick J. Beehler
Patrick J. Beehler, P.L.S.
Certificate #17656

AMENDMENT TO REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS AMENDMENT TO REAL ESTATE PURCHASE AND SALE AGREEMENT (the "Amendment") is made by and between the Port of Olympia, a Washington municipal corporation ("Seller") and State of Washington, Department of General Administration ("Purchaser").

RECITALS

A. Seller and Purchaser have entered into a Real Estate Purchase and Sale Agreement dated December 16, 1993 (the "Agreement").

B. Seller has obtained the conditional approval of the Federal Aviation Administration for the sale of the property described in the Agreement.

C. The parties desire to enter into this Amendment to reflect their agreement to and acceptance of the conditions of such approval.

AGREEMENT

NOW, THEREFORE, the parties agree as follows:

1. Satisfaction of Condition. Seller and Purchaser acknowledge and agree that the condition to Seller's obligations set forth in Section 3.2.2 of the Agreement will be satisfied by, and upon, receipt of an Instrument of Release from the Federal Aviation Administration, containing the terms and conditions described in the letter from the Federal Aviation Administration dated November 8, 1993, as attached hereto as Exhibit A (the "Letter").

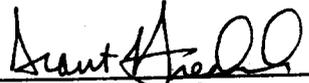
2. Deed; Reservation of Avigation Easement. Purchaser agrees that the special warranty deed to be delivered by Seller to Purchaser pursuant to Section 5.1 of the Agreement will contain the conditions described in the Letter by making such deed subject to an Avigation Easement reserved by Seller, in the form attached hereto as Exhibit B, which Avigation Easement shall be executed and delivered by the parties at Closing.

3. Continuing Effect. Except as specifically amended hereby, the Agreement shall continue in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date first written above.

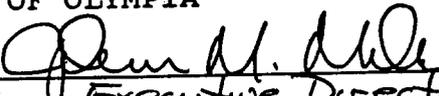
PURCHASER:

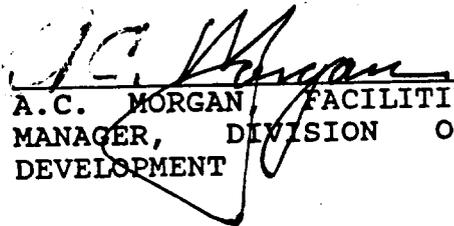
STATE OF WASHINGTON, DEPARTMENT OF
GENERAL ADMINISTRATION

By: 
Its: DEPUTY DIRECTOR

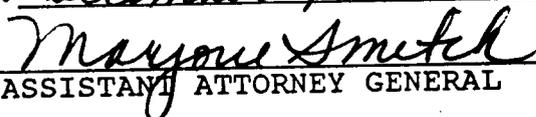
SELLER:

PORT OF OLYMPIA

By: 
Its: EXECUTIVE DIRECTOR


A.C. MORGAN FACILITIES PLANNING
MANAGER, DIVISION OF PROPERTY
DEVELOPMENT

APPROVED AS TO FORM:

DATE: December 1, 1993
By: 
ASSISTANT ATTORNEY GENERAL

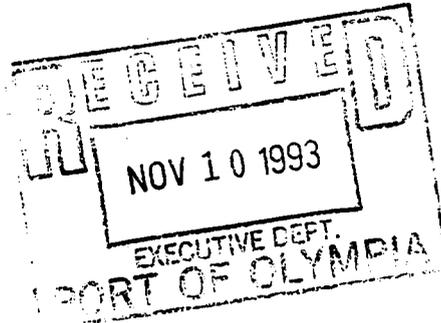


U.S. Department
of Transportation
**Federal Aviation
Administration**

Seattle Airports District Office
1601 Lind Avenue, S.W.
Renton, WA 98055-4056

November 8, 1993

Mr. John M. Mohr
Executive Director
Port of Olympia
915 Washington Street, N.E.
P. O. Box 827
Olympia, Washington 98507-0827



Dear Mr. Mohr:

This is in reply to your request of August 27, 1993, on behalf of the Port of Olympia, for the release of certain land at Olympia Airport, Olympia Washington, from all the restrictions and conditions of agreements with the United States Government.

We have determined that the particular parcels described on the Instrument of Release provided to us are no longer needed for aeronautical purposes, and will recommend that the Port of Olympia is to be released from the terms and conditions of the Surplus Properties Act which affects this land.

However, in order for us to make our recommendation the following changes must be included in any deed of conveyance and in the Instrument of Release:

"NOW THEREFORE, For and in consideration of the benefits to accrue to the United States and to civil aviation, The United States of America, acting by and through the Administrator of the Federal Aviation Administration, under and pursuant to the powers and authority contained in Public Law 311 (63 Stat.700) and applicable laws, regulations, and orders, upon inclusion by the Port of Olympia, Washington, in the Instrument of Transfer conveying title to the hereinafter described real property of provisions as follows:

1. That the Port of Olympia reserves unto itself, its successors and assigns, for the use and benefit of the public a right of flight for the passage of aircraft in the airspace above the surface of the real property hereinafter described, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known of hereafter used for navigation of or flight in said airspace, and for use of said airspace for landing on, taking off from or operating on Olympia Airport.
2. That the Grantee expressly agrees for itself, its successors and assigns to restrict the height of structures, objects of natural growth and other obstructions on hereinafter described real property to a height of not more than 310 feet above sea level.

3. That the grantee expressly agrees for itself, its successors and assigns to prevent any use of the hereinafter described real property which would interfere with landing or taking off of aircraft at the Olympia Airport or otherwise constitute an airport hazard.

hereby releases the following described property, including buildings thereon, from the conditions, reservations and restrictions as contained in the Instrument Of Transfer from the United States of America to the City Of Olympia, Washington, dated August 26, 1947, which real property is described as follows:"

The Airport Layout Plan and the Exhibit "A" will need to be revised to reflect the new airport boundaries. As a Master Plan Study is underway, this is an opportune time to accomplish the needed changes. We also suggest that they confirm the height limitation in Clause 2 above.

Sincerely,

A handwritten signature in cursive script that reads "J. Wade Bryant".

J. Wade Bryant
Manager, Seattle Airports
District Office

Appendix E: Lacey Property Purchase Agreement

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("Agreement") is made by and between ST. MARTIN'S ABBEY, a non-profit Washington corporation ("Seller"), and the State of Washington, DEPARTMENT OF GENERAL ADMINISTRATION ("Purchaser").

1. Agreement to Purchase and Sell - Description of Real Estate. Purchaser offers and agrees to purchase from Seller and Seller accepts such offer and agrees to sell and convey to Purchaser all of Seller's right, title and interest in and to those certain parcels of unimproved land designated as Parcels B and C (individually "Parcel B" and "Parcel C", and collectively the "Real Property") in that certain development commonly known as St. Martin's Park in the City of Lacey, County of Thurston, State of Washington, said Parcels B and C being legally described in the attached Exhibit A. Parcels B and C are shown on that certain surveyor's map prepared by Skillings & Chamberlain, Inc., dated 12/20/91, attached hereto as Exhibit B.

2. Purchase Price. The purchase price for the Real Property shall be SEVEN MILLION FOUR THOUSAND FOUR HUNDRED FORTY-EIGHT AND NO/100 DOLLARS (\$7,004,448.00), payable all cash to Seller at closing. Purchaser shall, promptly upon execution of this Agreement by both parties, deposit the full amount of the purchase price (the "purchase money funds") in Escrow with the Closing Agent described in paragraph 3 below, and said purchase money funds shall be invested pursuant to paragraph 5 below.

3. Closing Escrow. The sale shall be closed in an escrow (the "Escrow") to be established with Thurston County Title Company (the "Closing Agent" or the "Title Company"), and the parties shall deposit into the Escrow a true copy of this Agreement and such other documents and monies as are required hereby.

4. Closing Date. Closing of this transaction shall occur in the offices of the Closing Agent, as soon as possible, but not later than December 31, 1991, unless extended pursuant to paragraph 5 below. As used herein, the terms "closing", "closing date" or "date of closing" mean the date on which all documents to be recorded are recorded and the sale proceeds are available to Seller.

5. Investment of Purchase Money Funds - Extension of Closing Date. The deposit of purchase money funds referred to in paragraph 2 above shall be held in Escrow for payment of the purchase price at closing. Prior to closing, said funds shall be invested by the Title Company in an earning or interest bearing

account which is (i) fully insured by FDIC; or (ii) in general obligation instruments of the United States Government, such as Treasury Bills and Notes; or (iii) in repurchase certificates from a federally insured financial institution which are fully collateralized by such general obligation instruments of the United States Government. All income earned from said funds from the date hereof through December 31, 1991 or the date of closing, whichever first occurs, shall be payable to Purchaser. Purchaser may, on written notice given to Seller, not later than December 27, 1991, extend the closing date from December 31, 1991 to February 28, 1992. If Purchaser elects to extend the closing date, all income earned from said purchase money funds from and after January 1, 1992 to the date of closing shall be payable to Seller, in addition to the purchase price, as consideration for extending the closing date; provided, however, that in the event the sale is not closed by February 28, 1992 and this Agreement is terminated due to the default of Seller or due to the inability of the parties to satisfy the conditions set forth in paragraph 12 below, said funds shall be returned to Purchaser upon termination of this Agreement, and all income therefrom shall be payable to Purchaser, notwithstanding the extension of the closing date by Purchaser pursuant to this paragraph 5.

6. Hazardous Waste Audit. Purchaser shall, at Purchaser's expense, obtain a level one hazardous waste audit ("Hazardous Waste Audit") on all portions of the Real Property not previously audited. Purchaser agrees to apply for the Hazardous Waste Audit immediately and to exert its best efforts to complete the same by December 20, 1991. In the event the results of the Hazardous Waste Audit are not acceptable to Purchaser, it may terminate this Agreement without penalty upon written notice to Seller.

7. Boundary Line Adjustments. It is acknowledged that Purchaser has heretofore purchased from Seller approximately 27.5 acres situated easterly of Parcel B and southerly of Parcel C for the use of the Department of Ecology Headquarters Building complex, pursuant to Warranty Deed recorded under Thurston County Auditor's File No. 9102010002, said property being referred to herein as "Parcel A". It is agreed that it will be necessary to apply to the City of Lacey for and record Boundary Line Adjustment documents (the "Parcel A Boundary Line Adjustment") to change the perimeter configuration of Parcel A to that which is described on Exhibit A, to comply with that certain Infrastructure Agreement, dated May 29, 1991, between Seller, and Security Pacific Bank Washington, N.A. It is further agreed that it will be necessary to apply to the City of Lacey for and record Boundary Line Adjustment documents (the "Parcels B, C and D Boundary Line Adjustment") to create Parcels B and C as separate parcels of land, as described on Exhibit A and shown on Exhibit B. Seller and Purchaser agree to expedite the completion of the Parcel A Boundary Line Adjustment and the Parcels B, C and D Boundary Line Adjustment, it being recognized that it

will be necessary to complete the same as a condition precedent to Seller's ability to convey title of Parcels B and C to Purchaser.

8. Reserved Easements. Seller shall be entitled to reserve the following easements on the Real Property.

8.1 A non-exclusive easement for ingress, egress, private utilities and public utilities, including Sanitary Sewer, over, under and across:

a. The portion of Parcel B legally described on Exhibit A and shown on Exhibit B as the Gerald R. Desmond Drive Easement (herein the "Desmond Drive Easement");

b. The portion of Parcel B legally described on Exhibit A and shown on Exhibit B as the Extension of Gerald R. Desmond Drive Easement (herein the "Extension of Desmond Drive Easement"); and

c. The portion of Parcel B legally described on Exhibit A and shown on Exhibit B as the Extension of 3rd Avenue Easement (herein the "Extension of 3rd Avenue Easement").

8.2 An easement for water line purposes, being 15 feet in width, legally described on Exhibit A and shown on Exhibit B as the Proposed 15' Private Water Line Easement (herein the "Water Line Easement").

8.3 An easement for an overhead power line, being 15 feet in width, legally described on Exhibit A and shown on Exhibit B as the Overhead Power Line Easement (herein the "Overhead Power Line Easement").

8.4 A temporary easement for the operation of an existing sewer pump station situated near the southwesterly corner of Parcel B and legally described on Exhibit A and shown on Exhibit B as the Sewer Pump Station Easement (herein the "Sewer Pump Station Easement"). The Sewer Pump Station Easement shall continue until a north-south sewer interceptor is constructed by the City of Lacey to eliminate the need for said sewer pump station and until Raphael Hall, Sawyer Hall and the nearby warehouse currently leased to the Department of Ecology, are connected to the new sewer service.

The easements described in subparagraph 8.1 above shall be for the benefit of all of the remainder of St. Martin's Park as further specified in the Protective Covenants and Design Guidelines, and shall also be for the benefit of the St. Martin's College and St. Martin's Abbey properties situated southerly and

westerly of Parcel B. All of the easements shall run with the land. The Water Line Easement, the Overhead Power Line Easement and Sewer Pump Station Easement described in subparagraphs 8.2, 8.3 and 8.4 above shall be for the benefit of the St. Martin's College and St. Martin's Abbey properties situated southerly and westerly of Parcel B. With respect to the utility easement rights reserved under subparagraphs 8.1, 8.2 and 8.3 above, it is expressly acknowledged and agreed that said rights shall include the utility easement rights which it is anticipated will be required to accommodate the proposed sanitary sewer interceptor project currently being proposed by the City of Lacey which will involve a 27" pipe running in a north-south direction (herein the "Sanitary Sewer Interceptor Project"). It is anticipated that the Sanitary Sewer Interceptor Project will be placed within the Desmond Drive Easement and the Extension of Desmond Drive Easement. It is expressly understood and agreed that Purchaser shall not permit any portion of the Sanitary Sewer Interceptor Project to be located on any portion of Parcel B outside of the Desmond Drive Easement and the Extension of Desmond Drive Easement and, that as between Seller and Purchaser, Seller shall have sole authority and control over the specifications of the Sanitary Sewer Interceptor Project insofar as the location thereof within the Extension of Desmond Drive is concerned. Additionally, it is expressly agreed that Seller may grant and convey to the City of Lacey, by deed or other conveyance easement rights within the Extension of Desmond Drive Easement for the Sanitary Sewer Interceptor Project, on such terms and conditions as Seller, in its sole discretion, may determine. Purchaser may, at Purchaser's sole cost and expense, relocate the Extension of Desmond Drive Easement, and the Extension of 3rd Avenue Easement, provided that such relocation shall be subject to the approval of the City of Lacey and subject to the consent of Seller, which consent of Seller shall not be unreasonably withheld, and, provided further, that the Sanitary Sewer Interceptor Project remains located within the boundaries of the Desmond Drive Easement and Extension of Desmond Drive Easement, as so relocated. Purchaser may also, at Purchaser's sole cost and expense, relocate the Water Line Easement and the Overhead Power Line Easement, provided that such relocation shall not adversely affect Seller's access to the water or electrical lines or increase Seller's costs of maintenance thereof. At the request of either Seller or Purchaser, the aforesaid easements may be reflected in a separate Easement Agreement(s) to be prepared in form mutually acceptable to Seller and Purchaser, and executed and recorded at Closing.

9. Dedication of Desmond Drive. Purchaser agrees that it shall dedicate to the City of Lacey for roadway and for public utility and private utility purposes the portion of Parcel B covered by the Desmond Drive Easement described in paragraph 8.1. Said dedication shall be effected through the Escrow immediately after Parcel B is conveyed to Purchaser by Seller at closing. The Desmond Drive Easement shall terminate when the aforesaid dedication is completed and accepted by the City of Lacey.

10. Future Roadway Improvements. For the purposes of this paragraph 10, the term "Gerald R. Desmond Drive" shall mean the portion of Parcel B covered by the Desmond Drive Easement and by the Extension of Desmond Drive Easement, as defined in subparagraph 8.2 above; and the term "3rd Avenue" shall mean the portions of Parcel B covered by the Extension of 3rd Avenue Easement, as defined in subparagraph 8.2 above. It is acknowledged that the location of the Desmond Drive Easement as described in Exhibit A and shown on Exhibit B reflects a relocation of the access easement provided by seller to Purchaser at the time Parcel A was sold to Purchaser, and it is agreed that the Desmond Drive Easement shall terminate at the time said portion of Parcel B is dedicated to the City of Lacey pursuant to paragraph 9 above. Notwithstanding such dedication, Purchaser agrees that said roadway, including the portion of Parcel B covered by the Extension of Desmond Drive Easement, whether or not dedicated to the City of Lacey, shall at all times be named "Gerald R. Desmond Drive", and that said name shall not be changed without the Seller's prior written consent. It is acknowledged that the lands covered by the Desmond Drive Easement are currently being improved by Purchaser pursuant to the Infrastructure Agreement described in paragraph 7 above. Purchaser agrees to construct, at Purchaser's sole cost and expense, roadway and utility improvements on the remainder of Gerald R. Desmond Drive (i.e., the lands covered by the Extension of Desmond Drive Easement) and on 3rd Avenue (i.e., the lands covered by the Extension of 3rd Avenue Easement) and to dedicate the same to the City of Lacey, when the funding through appropriation or other available sources becomes available for the construction of the first new building or other significant improvement on the Real Property by Purchaser. The construction of said roadway and utility improvements shall comply with the Protective Covenants and Design Guidelines referred to in paragraph 17 below, and shall meet or exceed the specifications and standards required in the "Development Guidelines and Public Works Standards of the City of Lacey" then currently in effect, and include the installation of a traffic signal at the intersection of 3rd Avenue and Gerald R. Desmond Drive if and when required by the City of Lacey. It is agreed that Seller may, prior to the aforesaid construction of roadway and utility improvements by Purchaser, elect to construct said roadway and utility improvements to the aforesaid standards, or to partially improve said roadway, to enable Seller to utilize its easement rights on the Extension of Desmond Drive Easement and the Extension of 3rd Avenue Easement. In the event Seller constructs such improvements, Purchaser agrees, at the time the aforesaid funding becomes available for the construction of the first new building or other significant improvement on the Real Property, to reimburse Seller for all costs reasonably incurred in connection with such construction, together with interest thereon at the rate of five percent (5%) per annum, compounded annually, from the time the expenditures are incurred by Seller until reimbursement is made by Purchaser. Seller agrees

to review with Purchaser, in advance, the budgeted or estimated costs of such improvements to obtain the approval of Purchaser thereto, which approval shall not be unreasonably withheld. If Seller elects to fully contract improvements to the aforesaid standards, at Seller's request, Purchaser shall dedicate the portions of the roadway so improved to the City of Lacey. It is understood and agreed that the dedication by Purchaser of the roadways pursuant to this Agreement, shall not impose any obligation on Seller to dedicate connecting roadways on adjacent properties owned by Seller and, in particular, it is agreed that Seller may in its sole discretion restrict or eliminate access from 6th Avenue to Gerald R. Desmond Drive and from the portions of existing 3rd Avenue situated westerly of Seller's remaining property to 3rd Avenue.

11. Assessments. Seller and Purchaser acknowledge that Purchaser will be the sole or primary user of the roadways and common areas in St. Martin's Park before the remainder of the property in St. Martin's Park has been developed. Notwithstanding anything to the contrary in the Protective Covenants, Purchaser agrees to pay and bear the common expenses applicable to the roadways and common areas in St. Martin's Park until at least seventy-five percent (75%) of the lots in St. Martin's Park have been sold or leased to a party other than Seller, or a successor or affiliate of Seller, or for a period of five (5) years after the completion of the Department of Ecology Administrative Headquarters Building on Parcel A, whichever is less. The foregoing shall supersede and replace the agreement between Seller and Purchaser covering assessments entered into pursuant to the sale of Parcel A to Purchaser referred to in paragraph 7 above.

12. Conditions. This Agreement is subject to the following conditions being satisfied:

12.1 Completion of the Hazardous Waste Audit pursuant to paragraph 6 above.

12.2 Completion of the Parcel A Boundary Line Adjustment and the Parcels B, C and D Boundary Line Adjustment pursuant to paragraph 7 above.

In the event that the parties are, after the expenditure of reasonable good faith efforts, unable to satisfy the foregoing conditions within the time periods provided for in this Agreement, either party may thereafter terminate this Agreement without penalty by giving not less than five (5) days prior written notice to the other party, and thereafter, all obligations of the parties hereunder shall terminate and this Agreement shall be of no further force or effect.

13. Title Insurance - Preliminary Report. Seller shall, at Seller's sole cost and expense, provide standard owners coverage title insurance in the amount of the purchase price to Purchaser at closing and shall, within ten (10) days after this Agreement is executed by both parties, obtain and deliver to Purchaser a preliminary commitment for said standard coverage title insurance including the results of proper searches covering bankruptcies and state and federal judgments and liens, insured by the Title Company. Purchaser shall be allowed ten (10) days after receipt of the commitment to examine it and to make objections to any exceptions to title disclosed thereby which are in addition to the Permitted Exceptions described in paragraph 14. below. All objections shall be made in writing to Seller within the ten (10) days or be deemed waived. Seller shall have until ten (10) days prior to the date of closing to eliminate the exceptions objected to or obtain title insurance coverage over said exceptions. If Seller is unable or unwilling to cure or to insure over said exceptions by use of said efforts, Seller shall so notify Purchaser, and Purchaser shall have five (5) days to notify Seller in writing of its election to either:

- a. Terminate this Agreement, by written notice to Seller, whereupon Seller shall immediately return the Deposit, if any, to Purchaser and thereafter neither party shall have any further rights or liabilities hereunder; or
- b. Waive its objections to title exceptions and, in such event, Seller shall remove or insure over the exceptions that Seller was reasonably able or willing to cure or insure, and the parties shall close the transaction contemplated by this Agreement.

In the event the sale does not close for any reason other than the default of Seller, Purchaser shall pay any cancellation fee charged by the Title Company for the preliminary commitment.

14. Title - Conveyance. The Real Property shall be conveyed to Purchaser at closing by good and sufficient statutory warranty deed, free and clear of any encumbrances except the following (collectively, the "Permitted Exceptions"): the Protective Covenants described in paragraph 17 below; the easements described in Exhibit A; and any exceptions and reservations relating to mineral or other rights, if any, reserved to the state of Washington in or pursuant to the deed from the state of Washington, which are described in the Commitment for Title Insurance (the "Title Report") to be obtained from the Title Company. Rights in federal patents or state deeds, building or use restrictions general to the district, and building or zoning regulations or provisions (including the provisions of City of

Lacey Proposed Zoning Ordinance Amendments for New Chapter 16.24 (Central Business), and Ordinance Nos. 583, as amended, and 614) shall not be deemed encumbrances or defects. Encumbrances to be discharged by Seller may be paid out of purchase money at closing.

15. Possession. Purchaser shall be entitled to possession of the Real Property upon the date of closing.

16. Closing Costs - Prorations. Real estate taxes which are assessed, levied or will become a lien on the Real Property on the date the sale is closed, as well as rents, general and special water and sewer rents or rates, electric and gas charges are to be prorated to the date of closing. Seller shall pay the following costs and expenses in connection with this transaction:

- a. Seller's attorneys' fees;
- b. Real property taxes shall be prorated to the date of closing;
- c. All special assessment installments and local improvement district assessment installments affecting the Real Property shall be prorated to the date of closing;
- d. One-half (1/2) of the escrow fees;
- e. Real estate excise taxes or transfer taxes due on the conveyance, if any;
- f. Title insurance premium and sales tax thereon.

Purchaser shall pay the following costs and expenses in connection with this transaction:

- a. Purchaser's attorneys' fees;
- b. One-half (1/2) of the escrow fees;
- c. Fees for recording of the Statutory Warranty Deed;
- d. Expenses of a survey other than the cost of preparing Exhibit B, if any;
- e. Real property taxes shall be prorated with Purchaser paying the portion accruing for the period after the date of closing (the Real Property is not taxable after closing).

17. Protective Covenants and Design Guidelines.

17.1 It is acknowledged that Seller has prepared a Master Land Use Plan for Parcels A, B and C, and adjacent lands owned by Seller in the vicinity thereof. Said lands include approximately 212 acres and are referred to in the Master Land Use Plan as "St. Martin's Park". It is further acknowledged that Seller has prepared, and recorded under Thurston County Auditor's File No. 9105300001, a Declaration of Protective Covenants, Conditions and Restrictions (the "Protective Covenants"), which currently applies to Parcel A, will apply to Parcels B and C (and

thereafter at Seller's option to such other portions of St. Martin's Park as Seller may subsequently determine), as covenants running with the land, to be binding upon Purchaser and other parties which may acquire an ownership or other interest in the Real Property. The Protective Covenants complement the Master Land Use Plan being developed for St. Martin's Park. A draft of the First Amendment of the Protective Covenants is attached hereto as Exhibit C. Seller reserves the right to modify and revise the Protective Covenants provided such modifications and revisions are consistent with the goals and standards set forth therein and do not materially adversely affect the Real Property. Purchaser agrees that the Real Property shall be subject to the assessments and charges which may be imposed by the Protective Covenants on the land within St. Martin's Park with respect to the maintenance of open space, woodland, trail, landscape and other reserve areas (and also such waterways, ponds and common areas, if any), which may be situated on the land and are maintained for the benefit of the Owner or occupants of the land pursuant to the procedures provided for in the Protective Covenants.

17.2 It is further acknowledged that Seller has prepared Design Guidelines which will apply to the Real Property and the remaining portions of St. Martin's Park to the extent covered by the Protective Covenants, to complement the Master Land Use Plan and the Protective Covenants. A copy of the Design Guidelines is attached hereto as Exhibit D. Seller reserves the right to modify and revise said Design Guidelines provided such modifications and revisions are consistent with the goals and standards set forth therein and in the Protective Covenants and do not materially adversely affect the Real Property.

17.3 Purchaser reserves the right to review, have input to and finally approve any material revisions to the Design Guidelines or Protective Covenants which may, in Purchaser's reasonable opinion, have a material adverse affect on the use of the Real Property as described in paragraph 18 below, and common area maintenance charges before their final implementation by Seller.

18. Use of the Real Property. Parcels B and C to be used for the construction and operation of ~~statewide~~ administrative ~~headquarters~~, office buildings comparable to the Department of Ecology facilities being constructed upon Parcel A, and Seller hereby represents that Parcels B and C properly zoned for such use. Any material change in the above-described use or occupancy shall require the prior written consent of Seller. *me*
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19. Tests and Surveys, Etc. Representatives of Purchaser, or its assigns, shall have the right prior to closing to enter upon the Real Property for the purpose of inspecting the same and making test borings, plans and topographical surveys in connection with Purchaser's contemplated use of the Real Property,

provided that Purchaser shall, and it does hereby agree to indemnify and hold Seller harmless from any loss or damage occurring to the Real Property or in the vicinity thereof as a result of such activity. Purchaser shall bear all costs relating to any such surveys, investigations, tests or inspections and studies. In the event this Agreement is terminated, the Real Property will be restored by Purchaser, at its expense, to its original condition in accordance with good engineering practices, and Purchaser shall provide to Seller, without charge, copies of all such tests and surveys which may have been made by or on behalf of Purchaser.

20. Assignment.

20.1 This Agreement shall be freely and successively assignable by the Director of the Department of General Administration on behalf of Purchaser. As used in this Agreement, the term "Director of the Department of General Administration" includes the Director, Deputy Director or a duly authorized representative of either such officer. Notwithstanding the foregoing, it is expressly understood and agreed that a material and substantial factor and consideration in the willingness of Seller to agree to sell the Real Property to Purchaser is the expectation that the Real Property will in fact be devoted to the long term use described in paragraph 18 above, and that such use will compliment and blend with the Master Land Use Plan for St. Martin's Park. Accordingly, Seller has entered into this Agreement in such good faith expectation, and by acceptance hereof, Purchaser represents that it will exert its best efforts to achieve the use and development of the Real Property in accordance with the foregoing and the provisions of paragraph 18 above. At Seller's request, Purchaser shall provide to Seller, copies of any proposed building design plans and site plans for the advance review and comment by Seller.

20.2 It is acknowledged that Seller has held title to the Real Property for many years, and that the Real Property has heretofore been utilized solely in connection with the religious and educational purposes and activities of Seller. It is the objective of Seller in entering into this Agreement with Purchaser to further support such religious and educational purposes. To that end, Seller may assign or transfer title to the Real Property and/or assign or transfer all or portions of its rights and obligations hereunder to such entities as shall be designed by Seller, it being understood, however, that any such transfers or assignments shall in no respect impair or restrict the rights granted to Purchaser hereunder, and any such transferees or assignees shall be required, as a condition thereof, to assume and perform the obligations and duties of Seller hereunder.

21. Approval by Attorney General. Prior to final execution by Purchaser, this Agreement must be approved as to form by the Office of the Attorney General. If such approval is not given by December __, 1991, this Agreement shall terminate and Seller shall be released from any further obligations hereunder.

22. Condition of the Real Property. Purchaser acknowledges that the Real Property is unimproved, that it has examined the Real Property and that it is agreed that if the sale is closed, the Real Property will be conveyed to Purchaser in its present condition.

23. Hazardous Substances. Seller has no knowledge of any release or threatened release of any significant quantity of any hazardous substances on the Real Property (it being acknowledged that Seller has retained Conrex Inc. to remove certain barrels, buckets and cans described in and pursuant to letters from Conrex Inc. to Seller dated October 29 and November 13, 1991, copies of which letters have been provided to Purchaser). Seller has not received any notification from any governmental agency indicating that the Real Property is or may be targeted for a federal or state Superfund Clean-up or that the Real Property is contaminated with any hazardous substances. Seller agrees to indemnify and hold Purchaser harmless from and against any and all loss, damage, claims, penalties, liabilities, suits, costs and expenses (including, without limitation, costs or remedial action or clean-up), suffered or incurred by Purchaser arising out of, or related to, any such release of hazardous waste materials on the Real Property of which Seller had actual knowledge as of the date of this Agreement. As used herein, the term "Hazardous Substance" means any substance, waste, material defined or designated as hazardous, toxic or dangerous by any federal or Washington State statute, regulation or rule now in effect.

24. No Brokers or Agents. Seller and Purchaser each warrant and represent to the other that no real estate brokers, agents or salespersons have been retained to provide services in connection with the proposed Purchase and Sale Agreement and sale of the Real Property to Purchaser. Seller will indemnify, defend and hold Purchaser harmless from and against all claims for any broker's or finder's fees made or asserted by any person claiming to have been employed by Seller relative to the sale and all costs and expenses (including the reasonable fees of counsel) of investigating and defending such claims; and, Purchaser will likewise indemnify, defend and hold Seller harmless from and against all claims for any broker's or finder's fees made or asserted by any person claiming to have been employed by Purchaser relative to this transaction and all costs and expenses (including the reasonable fees of counsel) of investigating and defending such claims.

~~25. Confidentiality. It is agreed that matters covered by this Agreement shall be considered generally confidential, including, in particular, the proposed purchase price and terms of sale with respect to the Real Property. Neither party shall issue statements or provide announcements to the press or media without consulting with the other until the sale has closed. It is understood, however, that the parties may disclose the proposed terms and conditions of this Agreement as reasonably necessary in dealing with governmental agencies having a regulatory or other interest in the matter and with financial institutions which may be interested in participating in financing the proposed developments, or as required by the "freedom of information" legislation.~~

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26. Exclusive Use of Names. It is understood that Seller retains the right to the exclusive use of the following names:

- | | |
|---------------------|--------------------------|
| Saint Martin's Park | St. Martin's Abbey |
| St. Martin's Park | Saint Martin's College |
| Saint Martin's | St. Martin's College |
| St. Martin's | Saint Martin's Monastery |
| Martin of Tours | St. Martin's Monastery |
| Martin Village | Saint Martin's Abbey |

and to any combination or variation of the foregoing names, including the words Abbey or Monastery when used alone or in combination with other names or words. It is agreed, however, that the Real Property shall be considered included within St. Martin's Park, and that the foregoing general restriction shall not preclude Purchaser, and its successors and assigns to the extent they become lessees of the Real Property or portions thereof, from using the name St. Martin's Park with respect to the operation of administrative office buildings on the Real Property.

27. Section 1445 of Internal Revenue Code. Seller is not a foreign person as the term is used and defined in Section 1445 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder. Seller shall, upon request of Purchaser, complete an affidavit to that effect.

28. Notices. Any notice, offer or other communication required or desired to be given in writing shall be deemed given upon delivery, if hand delivered, or at the expiration of two (2) days from the date of deposit in the United States mails, postage prepaid, certified mail, return receipt requested, addressed to the party entitled to receive such notice, offer or other communication, at the respective addresses set forth below:

If to Seller:

St. Martin's Abbey
Lacey, Washington 98503

Attn: Kathleen Bauknight

With a copy to:

Bogle & Gates
Two Union Square
601 Union Street
Seattle, Washington 98101-2322

Attn: Donald L. Johnson

If to Purchaser:

Division of Property Development
Department of General Administration
200 General Administration Building, AX-22
Olympia, Washington 98504

Attn: A.C. Morgan

or to such address or addresses as a party shall in writing have advised the other party.

29. Successors and Assigns. This Agreement shall inure to the benefits of, and be binding upon, the successors and assigns of the parties, subject, however, to the restrictions stated in paragraph 18 above. Whenever, in this Agreement, a reference to any party is made, such reference shall be deemed to include a reference to the successors and permitted assigns of such party.

30. Non-waiver or Consent. No consent or waiver, express or implied, by any party to, or of any breach or default by, the other party hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by such other party of the same or any other obligations of such party hereunder. Failure on the part of any party to complain of any act on the part of the other party or to declare such other party in default or to pursue any remedies herein provided, irrespective of how long such failure continues, shall not constitute a waiver of such party of its rights hereunder.

31. Covenants and Representations. It is agreed that the covenants and representations made by each party hereto for the benefit of the other shall, where appropriate, survive and remain in effect after the closing of the sale of the Real Property to

Purchaser, and this Agreement shall not be deemed terminated at closing with respect to such covenants and representations.

32. Time of Essence. Time is hereby expressly made of the essence with respect to the performance of parties of their respective obligations under this Agreement.

33. Default. If the sale hereunder fails to close due to the default of Seller or Purchaser, the party not in default may sue for damages or enforce specific performance of this Agreement. The aforesaid remedies shall be in addition to any and all other remedies that may be available at law or in equity.

34. Exhibits. The following exhibits are attached to this Agreement, initialled by the parties hereto and incorporated into this Agreement by reference:

<u>Exhibit A</u>	Legal Descriptions of Parcels A, B and C, and roadway and other easements
<u>Exhibit B</u>	Surveyor's Map prepared by Skillings & Chamberlain, Inc.
<u>Exhibit C</u>	First Amendment of the Protective Covenants
<u>Exhibit D</u>	Design Guidelines

35. Governed by Laws of the State of Washington. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Washington.

36. Supersedes Prior Agreements. This Agreement supersedes and replaces, in its entirety, all prior understandings, oral or in writing, by the parties hereto. No amendments, modifications, waivers or other changes hereto shall be effective or binding upon a party unless stated in writing in a document signed by the party to be bound thereby.

IN WITNESS WHEREOF, the parties have hereunto subscribed
our hands this 23rd day of December, 1991.

SELLER:

PURCHASER:

ST. MARTIN'S ABBEY

STATE OF WASHINGTON
Dept. of General Administration

By Conrad R. Rausch
Its president

By K. William Holden
Its Director

By Alfred J. Hulach
Its SECRETARY

APPROVED AS TO FORM:

Date Dec. 23, 1991

By Mary Ellen Conner
Assistant Attorney General

**AMENDMENT OF
REAL ESTATE PURCHASE AND SALE AGREEMENT**

THIS AMENDMENT OF REAL ESTATE PURCHASE AND SALE AGREEMENT (the "Amendment") is made as of the 13th day of February, 1992, by and between ST. MARTIN'S ABBEY, a Washington non-profit corporation ("Seller"), and the STATE OF WASHINGTON acting by and through its DEPARTMENT OF GENERAL ADMINISTRATION (the "State"), with respect to that certain Real Estate Purchase and Sale Agreement by and between Seller and State dated December 23, 1991, as previously amended by letters from State to Owner dated January 7, 1992 and January 31, 1992, respectively (collectively the "Purchase Agreement"). Unless otherwise defined herein, capitalized terms used herein shall have the meanings given to them in the Purchase Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree to further amend the Purchase Agreement as follows:

1. Easement for Sign on Martin Way. Seller shall be entitled to reserve an exclusive, perpetual easement for the purposes of erecting, maintaining and replacing a sign identifying St. Martin's Park, St. Martin's Abbey and/or St. Martin's College on that portion of the Real Property legally described in Exhibit A hereto and by this reference incorporated herein (the "Sign Easement"). The Sign Easement shall run with the land and shall be for the benefit of the remainder of St. Martin's Park and of the St. Martin's College and St. Martin's Abbey properties situated southerly and westerly of the Real Property. At the request of either Seller or Purchaser, the Sign Easement may be reflected in a separate Easement Agreement(s) to be prepared in form mutually acceptable to Seller and Purchaser and executed and recorded at Closing.

2. Easement for Electrical Power Facilities. At the request of Seller or Puget Sound Power & Light Company or its agent, State shall grant an exclusive, perpetual easement to Puget Sound Power & Light Company for the purposes of constructing, maintaining and replacing electrical power facilities and equipment over, under, across, on and upon a portion of Parcel B or Parcel C adjacent to Martin Way (the "Electrical Power Facilities Easement"), together with necessary rights of ingress and egress to the Electrical Power Facilities Easement. The Electrical Power Facilities Easement shall run with the land. This provision shall survive the Closing of the transaction contemplated in the Purchase

Agreement. State shall cooperate with Seller and/or Puget Power and Light Company to create the Electrical Power Facilities Easement and to execute and record an easement agreement with respect to the same. Such Electrical Power Facilities Easement shall be for the benefit the Real Property and certain real property belonging to Seller lying to the north of Martin Way and commonly known as Martin Village.

3. Extent of Amendment. Except as amended hereby all terms and conditions of the Purchase Agreement remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the day and year first written above.

STATE:

STATE OF WASHINGTON,
acting by and through its
Department of General
Administration

By: Grant Hall
Its: Deputy Director

OWNER:

ST. MARTIN'S ABBEY

By: Conrad R. Rausch
Its: President

By: Alfred J. Huber
Its: SECRETARY

APPROVED AS TO FORM:

Date: File B, 1992

By: Mary Ellen Conlon
Assistant Attorney General
of the State of Washington

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

On this 13 day of February, 1992, before me personally appeared Conrad K. Housley and Alfred J. Housley, to me known to be the President and Secretary, respectively, of ST MARTIN'S ABBEY, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Josephine M. Gauthier
Notary Public in and for the
State of Washington.
My Appointment Expires: 1/7/96

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

On this 14th day of February, 1992, before me personally appeared Grant Fredericks, to me known to be the Deputy Director of the DEPARTMENT OF GENERAL ADMINISTRATION OF THE STATE OF WASHINGTON, the governmental entity that executed the within and foregoing instrument on behalf of the STATE OF WASHINGTON, and acknowledged said instrument to be the free and voluntary act and deed of said governmental entity on behalf of said state, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

M. Elizabeth Longnecker
Notary Public in and for the
State of Washington.
My Appointment Expires: 9-15-94

EXHIBIT A

PARCEL B SIGNAGE EASEMENT

That portion of Section 16, Township 18 North, Range 1 West, City of Lacey, Thurston County, Washington described as follows:

That portion of Parcel B as shown on attached EXHIBIT B map dated December 20, 1991, prepared by Skillings and Chamberlain, Inc., described as follows:

Beginning at a point on the southerly Right of Way line of Martin Way which bears N 86°15'57" E 3,212.83 feet and S 3°44'03" E 60.00 feet from the intersection of the centerline of Martin Way with the west line of the Northwest Quarter of said Section 16; thence S 46°30'41" E 115.33 feet to a point on the westerly line of an easement designated as Gerald R. Desmond Drive Easement, said point being on a non-tangent curve to the left having a radius point which bears N 84°42'55" W 540.00 feet; thence northerly along said westerly line through a central angle of 9°01'08", an arc distance of 85.00 feet to said southerly Right of Way line Martin Way; thence S 86°15'57" W along said southerly line 85.00 feet to the Point of Beginning.

PARCEL C SIGNAGE EASEMENT

That portion of Section 16, Township 18 North, Range 1 West, City of Lacey, Thurston County, Washington described as follows:

That portion of Parcel C as shown on attached EXHIBIT B map dated December 20, 1991, prepared by Skillings and Chamberlain, Inc., lying northerly and westerly of the following described line:

Beginning at a point on the southerly Right of Way line of Martin Way which bears N 86°15'57" E 3,502.83 feet and S 3°44'03" E 60.00 feet from the intersection of the centerline of Martin Way with the west line of the Northwest Quarter of said Section 16; running thence S 43°07'45" W 123.97 feet to the westerly line of said Parcel C and the terminus of this described line.

MEMORANDUM OF AGREEMENT

With respect to that certain Real Estate Purchase and Sale Agreement dated December 23, 1991, as amended, with respect to the sale of Parcels B and C (the "Real Property") in St. Martin's Park, the State of Washington ("State") hereby confirms that State has obtained a Level One Hazardous Waste Audit, being that certain Phase I Environmental Site Assessment prepared by Nowicki & Associates, Inc., as defined and contemplated under paragraph 6 of the Real Estate Purchase and Sale Agreement; has reviewed the results of said Hazardous Waste Audit, and hereby confirms and agrees that the same is acceptable in all respects to State; and that the costs, if any, of any remediation or cleanup of any Hazardous Substance (as defined in paragraph 23 of the Real Estate Purchase and Sale Agreement), on the Real Property, whether or not discussed or disclosed in the Hazardous Waste Audit, shall be shared equally by State and St. Martin's Abbey, provided that the share of such costs to be borne by St. Martin's Abbey shall not exceed Thirty Thousand and No Hundreds Dollars (\$30,000.00).

DATED this 18th day of February, 1992.

ABBAY:

STATE:

ST. MARTIN'S ABBEY

STATE OF WASHINGTON Acting
By and Through Its
DEPARTMENT OF GENERAL
ADMINISTRATION

By Conrad R. Rausch
Its President

By Scott A. Hradil
Its Deputy Director

By Alfred J. Helsen
Its SECRETARY

APPROVED AS TO FORM BY THE ATTORNEY GENERAL OF THE STATE OF
WASHINGTON

By Mary Ellen Connelley
Its Asst Atty Gen

Appendix F: City of Olympia North Downtown Planning Area Study and Final EIS

CITY OF OLYMPIA
NORTH DOWNTOWN
PLANNING AREA STUDY

AND

FINAL ENVIRONMENTAL IMPACT STATEMENT

Community Planning and Development Department

Olympia, Washington

Prepared for the review and comments of citizens,
citizen groups, and government agencies
in compliance with

The State Environmental Policy Act of 1971
Revised Code of Washington 43.21.C
Chapter 197-11 WAC, effective April 4, 1984

and

Olympia SEPA Ordinance
Title 14

DATE OF ISSUE: JULY 7, 1997

EXECUTIVE SUMMARY

The City of Olympia prepared a Final Environmental Impact Statement (FEIS) which examines the effects of several different levels of growth that could occur in the northern portion of Downtown Olympia. It includes more detailed information than was possible in the 1994 Olympia Comprehensive Plan FEIS. The scenarios that are the subject of the FEIS, are based on market study research that identified the type and amount of development that could be expected over the next 20 years. In summary, the City comprehensive plan policies and development regulations could accommodate a wide range of development or redevelopment within the next 20 years. The City evaluated four possible development scenarios which contain varying degrees of future development or redevelopment. **Among others, these scenarios include a 200,000 square foot State Office Building. Projects that fit within the development range described may need to submit addenda to this FEIS but should not be required to submit a separate EIS.**

The purpose of the FEIS for north downtown Olympia is to encourage the type and mix of downtown development described in the 1994 Olympia Comprehensive Plan. By consolidating and disclosing known information about the area:

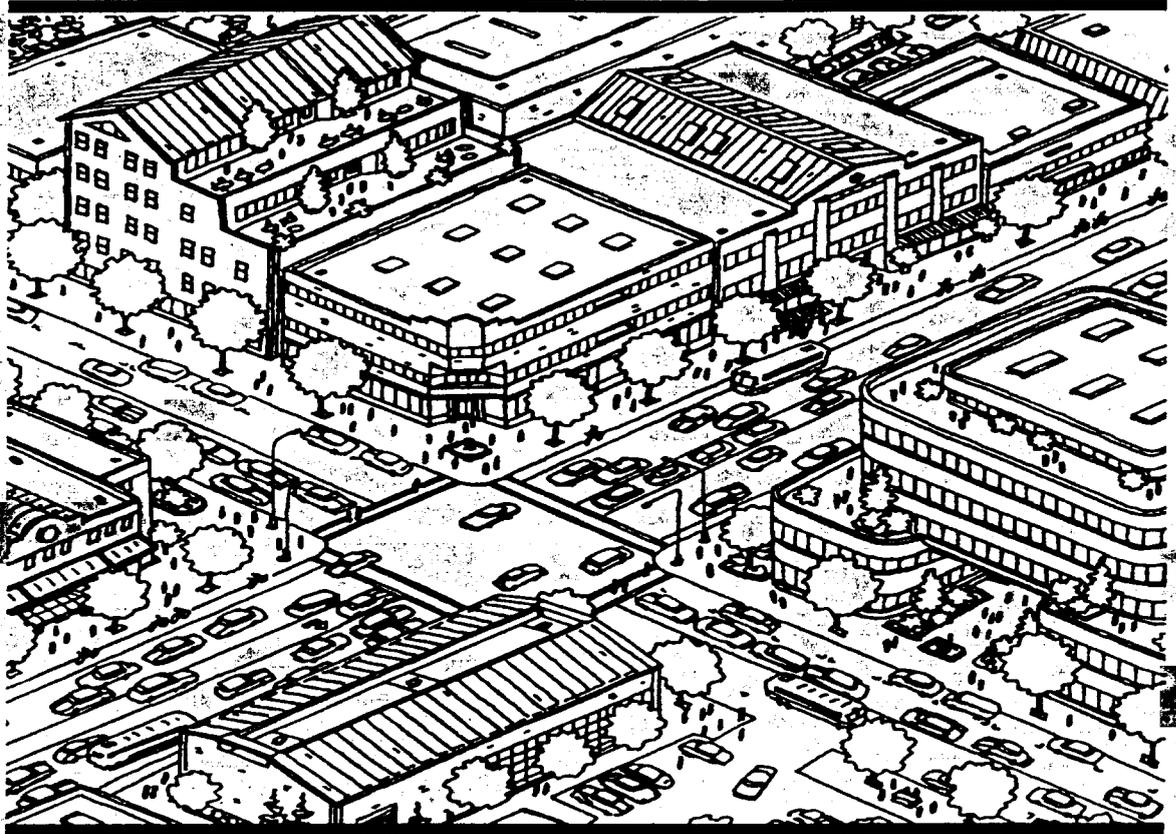
- A. development in the area will be encouraged that will maximize the potential of the area,
- B. as many questions as possible will be answered about the amount, type and mix of development that might actually occur in the area,
- C. property owners and developers will use the FEIS information to remove some of the uncertainty that inhibits action, and
- D. redundant effort and time expended on project planning will be reduced.

The FEIS project area includes a 40 block area located north of 4th Avenue between Percival Landing and Plum St./East Bay Drive and the southern portion of the Port of Olympia property including the Port's State Avenue, Swantown, and Market District. Both the market study and the transportation analysis considered development effects outside of this boundary including the entire Port peninsula and surrounding downtown core areas. In addition, the effects that growth and development in the region will bring to bear in this area were also considered. In this way, the expected growth and its consequences have been placed in a larger perspective resulting in a more thorough picture of the effects of the growth scenarios.

The City and Port are interested in seeing the development potential in this area maximized. Substantial public planning and public investment decisions have provided area amenities (Percival Landing, Heritage Park, the Olympia Center and the Farmers Market). We believe that property owners and others interested in taking action in the North Downtown Area are interested in having as many development questions as possible answered before they make an investment decision. The information in this EIS is intended to create more certainty and to decrease risks, delay and the redundant effort spent by any of these interests when trying to take action in this area. The direct partners in this process include: the Port of Olympia, the Cascade Group (currently holding purchase options on several blocks in the study area), State Departments of Transportation and Fish and Wildlife (who own property in the study area), and the State Department of General Administration whose Master Plan includes the siting of additional State Offices in Olympia's downtown. All property owners and the Olympia Downtown Association have been included in discussions and presentations throughout the process. The FEIS includes the following office configuration:

C I T Y O F O L Y M P I A

NORTH DOWNTOWN PLANNING AREA STUDY



FINAL ENVIRONMENTAL IMPACT STATEMENT

July 1997

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Olympia North Downtown EIS

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Olympia North Downtown EIS



STATE OF WASHINGTON

DEPARTMENT OF GENERAL ADMINISTRATION

200 General Administration Building, P.O. Box 41000 • Olympia, Washington 98504-1000
(360) 902-7300 • TDD (360) 664-3799

May 9, 1997

Mr. Todd Stamm, Associate Planner
City of Olympia
Community Planning and Development Department
837 - 7th Avenue
Post Office Box 1967
Olympia, Washington 98507-1967

RECEIVED

MAY 09 1997

COMMUNITY PLANNING & DEVELOPMENT DEPT

Dear Mr. Stamm:

Thank you for the opportunity to review and comment on the Olympia North Downtown Environmental Impact Statement (EIS). My comments will generally follow the prescribed method of referring to the page and section number.

Scenario B and Scenario D changes Scenarios A and C respectively by assuming a 200,000 square foot State Office Building is located within the area. These alternative scenarios then describe mitigation measures to address the additional 200,000 square feet of office development.

Comment:

- If the State develops an office building within the EIS study area it might not be 200,000 square feet, therefore many of the proposed mitigation measures described for such a building might be excessive.
- By describing Scenarios B and D in terms of *State Office Building* development the EIS would place major responsibility for mitigation on the State, rather than recognizing that development will also occur under Scenarios A and C which will set a higher floor upon which the State will be responsible for higher standards of mitigation.

Page 16 - Possible Mitigation Measures

1. *The State and the City could site State Offices or other public buildings to act as a buffer between LOTT and housing or other commercial uses.*

Mr. Todd Stamm, Associate Planner
May 9, 1997
Page Three

Page 45 - Illustration 6

Parking

Office (govt)
3.5/1000 329

Retail
3.5/1000 21
 350

Comment:

- Seems to assume any office requiring structured parking is office for government or that government office will require structured parking.
- Assumes 3.5/1000 parking for the structure which also limits such structures to government use.

Pages 65 - 66

State offices in the study area could serve as a buffer to LOTT.

Unless siting, design and parking issues are dealt with, locating State offices in the area could be counter-productive to a strategy that envisions this area for future moderate or high quality residences.

Placing state offices on sites not already owned by a public entity would take additional property off the local tax rolls.

Mitigation Measure 1: The State and the City could site State Office or other public buildings to act as a buffer between LOTT and housing or other commercial uses.

Comment:

- These statements seem to assume that development for the state will only occur via public works projects. Other means of project development include lease/development. Such development would need to recognize that the State might not permanently occupy the building or that the developer could develop for joint use. Such development would probably occur on a developers site; not necessarily acting as a buffer for LOTT. Such private development does not take the property off the local tax rolls.

Mr. Todd Stamm, Associate Planner
May 9, 1997
Page Four

- These statements seem to indicate that placement of State facilities needs to be a mitigating force between LOTT and other *more desirable* development. This puts state development at a disadvantage when compared with other commercial development. It would be more appropriate to indicate that larger square foot development projects might act as a buffer for LOTT because such development (regardless private or government) will require structured parking.

Page 84 - 3. Scenario impacts

A water system Local Improvement District (LID) would be one means of consistently addressing these area wide needs. Another alternative would be to create a Tax Increment Financing District to address these and other area wide deficiencies, if this technique was available in the State of Washington.

Comment:

These comments seem to border on recommendations. Language such as "Among the options including city-wide financing of new lines are ..." would clarify these statements.

Page 90 - 2.a. Public Transportation

Intercity Transit also operates the Capitol shuttle and the state office shuttle. Intercity Transit partners with the State and the city to underwrite shuttle costs.

Comment:

Assumes that the state will continue to provide funds for the shuttle service. Shuttle support by the state could change and more responsibility could fall on the city and/ or Intercity Transit.

Page 110 - 2. Overall findings

The State Office building option is especially dependent on a specific TDM strategy, using shuttle buses to transport about half of the employees (in Scenario B) and nearly all employees (in D) between the State office building and off-site parking elsewhere.

Page 116 - Parking Management - S.O.B.

Almost half, or almost all employee parking, employee parking off-site, probably at existing East Campus parking lots. Minimal other on-site parking for visitors.

Mr. Todd Stamm, Associate Planner
May 9, 1997
Page Five

Page 126 and 127 - Parking Management - State Office Building

State Office Building has near-zero employee parking on-site.

Comment:

These comments seem to assume that the State office building will be owned by the State. In a lease/development scenario the state might lease such an office for a limited time requiring other TDM options when we vacate.

This seems to assume the State can provide other off site parking (e.g., on the Capitol Campus). This assumption is not necessarily true. Better language in this section would outline a more generic TDM plan which doesn't necessarily rely on off-site parking availability.

Page 129 - 2. Implementation Strategy for Travel Demand Management

The Active Scenario with or without SOB appears to produce the lowest level of new trips in the area. That is due to the assumed high level of TDM success overall and the unique mitigation strategy for the SOB.

Comment:

We are unclear regarding the unique mitigation strategy for the SOB.

Page 133 - Mitigation Measure 5:

If the State or other large office is sited in the study area, any on-site parking available to employees could be managed to favor carpools and vanpools over single-occupant vehicles.

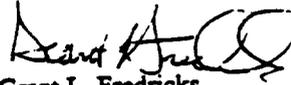
Comment:

We agree. Shuttle employees however, should recognize that that option may not be available but the costs and probabilities should be considered with other options (e.g., carpools, vanpools, etc.).

Mr. Todd Stamm, Associate Planner
May 9, 1997
Page Six

Again, thank you for the opportunity to comment on the draft EIS. Questions about these comments may be directed to the undersigned at 902-7203, to Craig Donald at 902-7344 or Joan Cullen at 902-7318.

Sincerely,



Grant L. Fredricks
Deputy Director