

**CITY OF OLYMPIA
SPECIAL MEETING OF THE CITY COUNCIL
AND
PORT OF OLYMPIA
MINUTES
June 16, 2009**

The meeting was held in the City Council Chambers, starting at 5:40 pm.

Members present:

City of Olympia: Doug Mayor Mah, Mayor Pro Tem Jeff Kingsbury, and Councilmembers Joe Hyer, Karen Messmer, Craig Ottavelli, and Joan Machlis. Councilmember Rhenda Iris Strub was excused.

Port of Olympia: President Bill McGregor, Commissioners George Barner and Paul Telford.

Mayor Mah opened the meeting and indicated that the purpose of the meeting was to review the proposals received by the Port for the East Bay Development.

Ms. Kari Qvigstad, Port Marketing and Business Development Director provided an overview of the developer responses received by the Port for the East Bay Development area. She described the RFP Submittal and Evaluation Criteria, Public Open House, Developer and Proposals and concepts. Lorig had proposed a mixed use concept incorporating six parcels and additional properties. MJR Development had proposed an office and exhibit space on Parcel 6, and Tarragon proposed a mixed use development. Councilmember Hyer recused himself from the discussion as he has a business relationship with one of the developers.

Discussion between Councilmembers and Port Commissioners included the following:

- Relationship between properties for sale v. lease.
- Lack of housing for parcels 6 and 7.
- Location of housing adjacent to the truck route.
- Under the city's policy, downtown housing projects get priority over other permit applications.
- The pros and cons of using Marine Drive as the truck route.
- Pros and cons of possible alternate truck routes and their impacts.
- Potential impacts of sea-level rise on the development.
- City staff can participate with the port staff in future discussions.
- Any development proposal must be market driven.
- Developers must possess both experience as well as financial capital to do the projects.
- This needs to be a collaborative process between the City and the Port.
- On June 22nd, the Port Commissioners are expected to hear staff recommendations on the proposals and authorize the Director to enter in to exclusive negotiation agreement with selected partner(s).
- The exclusive negotiation period is expected to last until October/December 2009 timeframe.

Mayor Mah indicated a need to sustain the momentum of this exciting project. President McGregor concurred and hoped that the proposed developments would benefit both the City, as well as the Port.

The meeting adjourned at approximately 6:50 p.m.