Puget Western Purchase and Sale Contract

CITY OF TUMWATER

City Council, October 20, 2026

Background

- The City is preparing the Bush Prairie Habitat Conservation Plan with the Port of Olympia to support an incidental take permit from USFWS for the Olympia subspecies of the Mazama pocket gopher
- Under the HCP, activities such as City operations and maintenance and development permits will require mitigation for their impact on the Olympia subspecies
- Mitigation would include setting aside lands occupied by the Olympia subspecies for conservation purposes

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Background

- In February 2021, Puget Western, Inc. prepared an HCP for development of land occupied by the Olympia subspecies
- The Puget Western HCP covered development of the 79-acre Tumwater East property as the Costco warehouse distribution center while providing required mitigation at the 67.5-acre Tumwater West property

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Puget Western HCP Properties



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The intent of the purchase and sale contract with Puget Western, Inc. is for the City to acquire:

- 67.5 gross acres of property (Tumwater West property);
- The Puget Western HCP and endowment; and
- The remaining Olympia subspecies conservation credits from the Puget Western HCP

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The credits from the Puget Western HCP would be used for:

- Mitigation for covered activities under the Bush Prairie HCP;
- Projects that would require a separate take approval from USFWS; or
- Sale to City partners for their projects

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Item	Number
Purchase Price	$12,000,000, of which $10,000,000 is for the HCP credits and $2,000,000 for the actual land
Total Actual Acres Purchased	67.5 acres
Total Puget Western HCP Credits Purchased	109.4 Puget Western HCP Credits – Total Remaining Credits
Total Puget Western HCP Credits Purchased Translated into Bush Prairie HCP Credits	72.90 Bush Prairie HCP Credits
Estimated Current Value of the HCP Endowment	~$930,000

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Requested City Council Action

- Approve and authorize the Mayor to sign the purchase and sale contract with Puget Western, Inc., in substantially similar form as approved by the City Attorney; and further authorize the Mayor to complete the purchase and sign all necessary closing documents if all conditions are met.

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