

City of Olympia  
Attn: City Clerk  
P.O. Box 1967  
Olympia, WA 98507

**Document Title:** Restrictive Covenant  
**Grantor:** St. Francis House on Martin Way, LLC  
**Grantee:** City of Olympia  
**Original Address:** 2766 Martin Way E, Olympia, WA, 98506  
**Address after being re-addressed:** 113 Devoe St. NE, Olympia, WA, 98506  
**Assessor's Tax Parcel Number:** 34200500200

**RESTRICTIVE COVENANT**

**RECITALS**

**WHEREAS**, Olympia Municipal Code (OMC) Section 15.04.060 allows for certain exemptions for payment of impact fees; and

**WHEREAS**, OMC 15.04.060(C)(2) permits exemption of not more than eighty percent of park impact fees for any form of low-income housing within the Olympia School District; and

**WHEREAS**, OMC 15.04.020(Y) defines "low-income housing" as housing with a monthly housing expense that is no greater than thirty percent of eighty percent of the median family income adjusted for family size, for the county where the project is located, as reported by the United States Department of Housing and Urban Development.

**WHEREAS**, OMC 15.04.060(F) requires the property owner seeking reduced impact fees to record a covenant approved by the Director of Community Planning and Development that prohibits using the property for any purpose other than for low-income housing, which, at a minimum, must address price restrictions and household income limits for the low-income housing, and require that, if the property is converted to a use other than for low-income housing as defined in the covenant, the property owner or successor must pay all of the applicable impact fees in effect at the time of any conversion; and

**WHEREAS**, St. Francis House on Martin Way, LLC (Grantor) has applied to the City of Olympia (City) for a partial exemption of not more than eighty percent of park impact fees for its property located at 113 Devoe St. NE; and

**WHEREAS**, Grantor applied for and LOTT has approved Grantor's application for a fifty percent rebate of the LOTT connection fee through its pilot Affordable Housing Support Program due to Grantor's use of the property for low-income housing that meets the requirements of the Olympia Municipal Code; and

**WHEREAS**, the City of Olympia is serving as grantee of this restrictive covenant on LOTT's behalf for purposes of LOTT's grant of the fifty percent rebate for the LOTT connection fees.

### **RESTRICTIVE COVENANT**

This Restrictive Covenant applies to the apartments located at  
113 Devoe St. NE, Olympia, WA, 98506.  
The property was formerly addressed as  
2766 Martin Way E, Olympia, WA, 98506.

For consideration mutually exchanged, Grantor and City agree that the above-described real property will be held, transferred, sold, conveyed, leased, used, and occupied subject to the following covenants, conditions, and restrictions:

1. The Recitals set forth above are hereby incorporated and made part of this Restrictive Covenant as if fully set forth herein.
2. The apartments must be used solely for low-income housing occupied by households whose income, when adjusted for size, is at or below thirty percent of eighty percent of the area median income (AMI), as annually adjusted by the U.S. Department of Housing and Urban Development as provided in OMC 15.04.060(C).
3. In consideration for using the apartments for low-income housing as provided in OMC 15.04.060(C), the Grantor is hereby given by City a partial exemption from payment of park impact fees of eighty percent, so long as the apartments are used solely for low-income housing.
4. In consideration for using the apartments for low-income housing as provided in OMC 15.04.060(C), the Grantor has been given a fifty percent rebate of the LOTT connection fee through its pilot Affordable Housing Support Program, so long as the apartments are used solely for low-income housing.
5. In the event the apartments are converted by Grantor or its successors or assigns to a use other than for low-income housing, the Grantor or its successors or assigns shall pay the remaining eighty percent of applicable park impact fees and the remaining fifty percent of LOTT connection fees in effect at the time of any conversion. Upon payment to City of the park impact fees and the LOTT connection fees in effect at time of any conversion, this Restrictive Covenant will be extinguished by the City and City shall file a release of the Restrictive Covenant with the Thurston County Auditor.
6. It is the express intent of the Grantor and City that the provisions of this Restrictive Covenant must be deemed to run with the land and passes to and is binding upon Grantor's successors in title, including any subsequent purchaser, grantee, owner, assignee, trustee, trustor, or lessee of the apartments and any other person or entity having any right, title, or interest therein and

upon the respective heirs, executors, administrators, devisees, successors, and assigns of any purchaser, grantee, owner, assignee, trustee, trustor, or lessee of any portion of the apartments and any other person or entity having any right, title, or interest therein, other than tenants of the apartments in the normal course of operation of the apartments. The terms of this Restrictive Covenant may be enforced by injunctive relief or other remedies at law. Jurisdiction and venue is exclusively in Thurston County Superior Court for the State of Washington.

7. The Grantor shall, on an annual basis, submit to the City documentation that demonstrates, to the City's satisfaction, that the property subject to this restrictive covenant is used solely as low-income housing occupied by households whose income when adjusted for size, is at or below thirty percent of eighty percent of the area median income (AMI), as annually adjusted by the U.S. Department of Housing and Urban Development. Such documentation must include copies of lease agreements identifying appropriate affordable rents aligning with the Department of Housing and Urban Development criteria, in addition to such other documentation as the City requests. The Grantor shall permit the City to conduct site reviews at the property to ensure federal Housing Quality Standards are being met as defined by the Department of Housing and Urban Development. The City shall report to LOTT results of the City's examination of Grantor's documentation submittals when such examination is completed. If the results determine the property is no longer in compliance with low-income housing criteria, the City will take action to notify the owner and collect fees due.

**SIGNATURES ON FOLLOWING PAGES**

**GRANTOR, ST. FRANCIS HOUSE ON MARTIN WAY, LLC:**

\_\_\_\_\_ Date: \_\_\_\_\_  
**Daniel Roy, Manager**  
 St. Francis House on Martin Way, LLC, a Washington limited liability company

\_\_\_\_\_ Date: \_\_\_\_\_  
**John Terranova, Manager**  
 St. Francis House on Martin Way, LLC, a Washington limited liability company

STATE OF WASHINGTON )  
   ) ss.  
 COUNTY OF THURSTON )

I certify that I know or have satisfactory evidence that Daniel Roy and John Terranova, managers of St. Francis House on Martin Way, LLC, a Washington limited liability company, appeared before me, and that said persons acknowledged that they signed this instrument, and on oath stated that they are authorized to execute this instrument, and acknowledged it as their free and voluntary act for the uses and purposes mentioned in the instrument.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

\_\_\_\_\_  
 Signature  
 Name (typed or printed): \_\_\_\_\_  
 NOTARY PUBLIC in and for the State of Washington  
 Residing at \_\_\_\_\_  
 My appointment expires: \_\_\_\_\_

**GRANTEE, CITY OF OLYMPIA:**

\_\_\_\_\_ Date: \_\_\_\_\_  
Steven J. Burney, City Manager  
City of Olympia, a Washington municipal corporation

**Approved as to legal form:**

*Michael M. Young*  
Michael M. Young, Deputy City Attorney

STATE OF WASHINGTON    )  
                                  ) ss.  
COUNTY OF THURSTON    )

I certify that I know or have satisfactory evidence that \_\_\_\_\_,  
\_\_\_\_\_ for the City of Olympia, a Washington municipal corporation,  
appeared before me, and that said person acknowledged that he signed this instrument, and on  
oath stated that he is authorized to execute this instrument, and acknowledged it as his free  
and voluntary act for the uses and purposes mentioned in the instrument.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

\_\_\_\_\_  
Signature  
Name (typed or printed): \_\_\_\_\_  
NOTARY PUBLIC in and for the State of Washington  
Residing at \_\_\_\_\_  
My appointment expires: \_\_\_\_\_