

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, RELATING TO DESIGNATING RESIDENTIAL TARGET AREAS FOR PROVIDING TAX EXEMPTIONS FOR ELIGIBLE IMPROVEMENTS ASSOCIATED WITH MULTI-FAMILY DWELLINGS AREAS; AND AMENDING SECTION 5.86.030 OF THE OLYMPIA MUNICIPAL CODE**

**WHEREAS**, pursuant to the authority granted to the City by Chapter 84.14 RCW, the City of Olympia has designated in Olympia Municipal Code (OMC) Chapter 5.86 three residential target areas for the purpose of providing tax exemptions for eligible improvements associated with multi-family dwellings areas; and

**WHEREAS**, the Eastside Residential Target Area is one of the three areas so designated; and

**WHEREAS**, the Land Use and Environment Committee considered the issue of expanded or additional residential target areas for the City's Multi-Family Tax Exemption Program on December 20, 2018, and recommended that a resolution of intention to adopt an ordinance expanding the Eastside Residential Target Area and setting a public hearing therefor be drafted for City Council consideration; and

**WHEREAS**, on January 15, 2019, the City Council considered and approved Resolution No. M-2004 setting February 12, 2019, at the City Hall Council Chambers as the time and place for a public hearing on the proposed expansion of the Eastside Residential Target Area; and

**WHEREAS**, the City Council conducted a public hearing on February 12, 2019, for the purpose of hearing testimony on the proposed target area expansion; and

**WHEREAS**, having considered said testimony, the City Council determines it to be in the best interest of the City of Olympia to amend OMC Chapter 5.86 and expand the City's Eastside Residential Target Area;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1. Amendment of OMC 5.86.030.** Olympia Municipal Code Section 5.86.030 is hereby amended to read as follows:

**5.86.030 Residential target area designation and standards**

A. Criteria. Following a public hearing, with notice given by resolution pursuant to RCW 84.14.040, the City Council may, in its sole discretion, designate one or more residential target areas. Each designated target area must meet the following criteria, as determined by the City Council:

1. The target area is located within an urban center;

2. The target area lacks sufficient available, desirable, and convenient residential housing, including affordable housing, to meet the needs of the public who would likely live in the urban center if affordable, desirable, attractive, and livable places were available; and
3. The providing of additional housing opportunity, including affordable housing, in the target area will assist in achieving the following purposes:
  - a. Encourage increased residential opportunities within the target area; or
  - b. Stimulate the construction of new multi-family housing and the rehabilitation of existing vacant and under-utilized buildings for multi-family housing.

In designating a residential target area, the City Council may also consider other factors including, but not limited to: whether additional housing in the target area will attract and maintain a significant increase in the number of permanent residents; whether an increased residential population will help alleviate detrimental conditions and social liability in the target area; and whether an increased residential population in the target area will help to achieve the planning goals mandated by the Growth Management Act under RCW 36.70A.020. The City Council may, by ordinance, amend or rescind the designation of a residential target area at any time pursuant to the same procedure as set forth in this chapter for original designation.

B. Target Area Standards and Guidelines. For each designated residential target area, the City Council shall adopt basic requirements for both new construction and rehabilitation, including the application process and procedures. These requirements may include the following:

1. Requirements that address demolition of existing structures and site utilization; and
2. Building requirements that may include elements addressing parking, height, density, environmental impact, and compatibility with the existing surrounding property and such other amenities as will attract and keep permanent residents and that will properly enhance the livability of the residential targeted area in which they are to be located.

#### Area 1 - Downtown Residential Target Area

All of that portion of the City of Olympia, Washington described as beginning at the intersection of the East shoreline of Capitol Lake with the Westerly extension of centerline of 15th Ave extended Westerly; thence Easterly along said centerline and its extension to the centerline of Capitol Way; thence southerly along said centerline to the centerline of 16th Ave.; thence Easterly along said centerline and its extension to the Northwesterly boundary line of Interstate 5; thence Northeasterly along said line to its

intersection with the centerline of Eastside St. thence Northerly along said centerline to the centerline of State Ave.; thence Westerly along said centerline to the centerline of East Bay Dr.; thence Northerly along said centerline of East Bay Dr. to Olympia Ave; thence Westerly along said centerline to the centerline of Indian/Moxlie Creek Culvert; thence Northerly along said creek centerline to the shoreline of Budd Inlet; thence along said shoreline and the shoreline of Capitol Lake to the point of beginning; EXCEPTING THEREFROM that area lying Westerly of Water Street and Northerly of 5th Ave and Southerly of Budd Inlet.

#### Area 2 - Eastside Residential Target Area

All properties located along State Ave. and 4th Ave. which are bounded by Eastside St. on the West and ~~Fir~~Sawyer St. on the East; said area limited to a half block North of State Ave. ~~and west of Wilson St. and~~ to south of State Ave. between Wilson and Sawyer Streets; and limited to a half block south of 4th Ave, west of Frederick St. and to north of 4<sup>th</sup> Ave. between Frederick St. and Sawyer St.; ALSO all properties located North of State Ave between East Bay drive and Eastside St. and South of Olympia Ave.; EXCEPTING THEREFROM the North half of the block which lies between Pear Street and Quince St., and Olympia Ave. and State St.; ALSO EXCEPTING THEREFROM the three lots located at the Southwest corner of Eastside St. and Olympia ~~Ave~~ Ave.; ALSO all properties on the east side of Sawyer St. between 4<sup>th</sup> and State Avenues, and all properties with frontage on 4<sup>th</sup> Ave. and Martin Way east of Sawyer Ave. and west of Lilly Road; EXCEPTING THEREFROM properties between Pattison St. and Mary Elder Rd. that extend northerly more than 250 feet from the northern boundary of Martin Way.

#### Area 3 - Westside Residential Target Area

All properties located along Harrison Avenue which is currently bounded by: Cushing Street on the west; Foote Street on the east; extending only two lots deep both north and south of Harrison Avenue. Also included is the third lot north, located at the northeast corner of Harrison Avenue and Milroy Street; the third and fourth lot north, located at the northeast corner of Harrison Avenue and Decatur Street; the third and fourth lots south, located at the southwest corner of Harrison Avenue and Decatur Street; and the block bounded by Perry Street on the west, Garfield Street on the north, Plymouth Street on the east and Harrison Avenue on the south; EXCEPT any portion lying within Woodruff Park.

**Section 2. Corrections.** The City Clerk and codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including the correction of scrivener/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

**Section 3. Severability.** If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the Ordinance or application of the provisions to other persons or circumstances shall remain unaffected.

**Section 4. Ratification.** Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

**Section 5. Effective Date.** This Ordinance shall take effect five (5) days after publication, as provided by law.

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MAYOR

**ATTEST:**

\_\_\_\_\_  
CITY CLERK

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
CITY ATTORNEY

**PASSED:**

**APPROVED:**

**PUBLISHED:**