



City Council

Approval of a Resolution Authorizing a Partial Park and School Impact Fee Exemption to Fourth Street Housing, LLC for its Property Located at 3335 Martin Way E., Also Known as Merritt Manor

Agenda Date: 3/3/2020
Agenda Item Number: 4.C
File Number:20-0221

Type: resolution **Version:** 1 **Status:** Passed

Title

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Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the Resolution Authorizing a Partial Park and School Impact Fee Exemption to Fourth Street Housing, LLC for its Property Located at 3335 Martin Way E.

Report

Issue:

Whether to grant a partial park and school impact fee exemption to Fourth Street Housing, LLC for its property located at 3335 Martin Way E.

Staff Contact:

Cary Retlin, Home Fund Program Manager, 360.570.3956

Presenter(s):

None - Consent Calendar Item.

Background and Analysis:

The Olympia Municipal Code (OMC) permits exemption of impact fees for any form of low-income housing occupied by households whose income, when adjusted for size, is at or below 80 percent of the area median income, as annually adjusted by the U.S. Department of Housing and Urban Development. OMC 15.04.060.D states that "upon application by a property owner, a partial exemption of not more than eighty percent (80%) of park, transportation and school impact fees, with

no explicit requirement to pay the exempted portion of the fee from public funds, may be granted to a low-income housing development.’

Fourth Street Housing, LLC has applied to the City of Olympia for a partial exemption of not more than eighty percent (80%) of park and school impact fees for its property located at 3335 Martin Way E., also known as Merritt Manor.

OMC 15.04.060.D.4 requires the property owner 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 as described in the OMC, 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 the applicable impact fees in effect at the time of any conversion.

Olympia School District No. 111 has by resolution agreed to the Applicant’s application for a partial exemption of not more than eighty percent (80%) of school impact fees due to Applicant’s use of the property for low-income housing that meets the statutory requirements of the Olympia Municipal Code.

Neighborhood/Community Interests (if known):

There is significant interest from throughout the community in providing housing affordable to low-income individuals, as evidenced by voter approval of the Olympia Home Fund. This is the first time this new tool for affordable housing has been used in Olympia and is the first of its kind in Thurston County.

Options:

1. Approve the resolution authorizing a partial park and school impact fee exemption to Fourth Street Housing, LLC, for its property located at 3335 Martin Way E., also known as Merritt Manor.
2. Do not approve the resolution authorizing a partial park and school impact fee exemption to Fourth Street Housing, LLC.

Financial Impact:

See attached.

Attachments:

Resolution
Agreement
Restrictive Covenant
Partial Release of Deed of Trust
Financial Impact Table