



City Council

Approval of a Resolution Granting Special Tax Valuation for the Olympia Heritage Site at 101 Olympic Way NW

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Title

Approval of a Resolution Granting Special Tax Valuation for the Olympia Heritage Site at 101 Olympic Way NW

Recommended Action

Committee Recommendation:

The Heritage Commission recommends approval of the special valuation application for the historic property located at 101 Olympic Way NW.

City Manager Recommendation:

Move to approve the resolution granting special property tax valuation status for the historic property at 101 Olympic Way NW.

Report Issue:

Whether to approve the resolution granting special property tax valuation status for the historic property at 101 Olympic Way NW.

Staff Contact:

Marygrace Goddu, Acting Historic Preservation Officer, Community Planning & Development,
360.480.0923

Presenter(s):

None - Consent Calendar Item.

Background and Analysis:

The City of Olympia participates in the Washington State Special Tax Valuation Program which incentivizes historic preservation by offsetting the cost to maintain and upgrade older buildings. Owners of designated historic buildings may apply for a property tax re-valuation following the completion of approved rehabilitation work, which must be "significant," meaning that qualified expenses must exceed 25 percent of the value of the building prior to rehabilitation and must comply with historic preservation standards.

Following OMC 3.60 *Special Property Tax Valuation*, the Olympia Heritage Commission (OHC)

reviews of each applicant project for compliance with preservation standards, verifies the owner's related expenses, and makes a recommendation to City Council.

The application must be approved or denied by Council and the decision must be transmitted to the County Assessor before the end of the current year. If approved, the City enters into a ten-year agreement with the property owner to ensure no additional modifications are made that adversely impact the property's historic value without written consent by the City.

Beginning the following year, the Thurston County Assessor will subtract the Total Qualified Rehabilitation Expenses from the assessed property value each year for a period of ten years.

101 Olympic Way NW

Known as the Klaumbush House, the home was constructed in 1911 by William and Avis Klaumbush. William was a long-time Barber in Olympia, whose shop was on Capitol Way. He died in 1956 and Avis continued to live in the house until 1971. The home has strong and simple Craftsman detailing.

The rehabilitation made essential updates to electrical and plumbing; painted and cleaned the exterior; repaired roof, gutters, windows and insulation; made thoughtful interior improvements that preserve the home's original floorplan and restored original woodwork and floors.

On November 16, 2022, the Olympia Heritage Commission unanimously voted to recommend City Council approval of the application for Special Valuation at 101 Olympic Way NW, based on the following:

1. The property is individually listed on the Olympia Heritage Register.
2. The rehabilitation work was completed within 24 months prior to application.
3. The Heritage Review Committee determined that the rehabilitation work meets the *US Secretary of the Interior's Standards for Rehabilitation of Historic Properties*, and unanimously recommended approval to the full Heritage Commission following a site visit conducted October 24, 2022.
4. The assessed value of the structure prior to rehabilitation work was \$258,800.00.
5. The owner's Qualified Rehabilitation Expenses for this project must exceed 25% of the assessed value, or \$64,700.00, to meet the definition of a "significant" rehabilitation.
6. Staff conducted a review of the owner's receipts for the completed work and verified that the Total Qualified Rehabilitation Expenditures equal \$130,030.67, exceeding the 25 percent threshold for a significant rehabilitation.

The City Attorney has approved the attached ten-year agreement. The Certificate of Approval will be submitted to the Thurston County Assessor.

Neighborhood/Community Interests (if known):

Stewardship improvements to this historic property are an especially visible expression of care for Olympia's period architecture and local history as this home holds a prominent location above the roundabout directly west of the 4th Avenue Bridge.

At this gateway to Downtown and entry point to Olympia's West Side, the building offers a critical first impression and an invitation to explore the eclectic and historic neighborhoods beyond.

In its improved condition the home is a beacon of welcome and pride that the entire community can share, and all visitors can enjoy.

As a result, the Southwest Neighborhood, the Northwest Neighborhood, the West Bay Neighborhood and the Downtown Neighborhood can all enjoy a heightened sense of neighborhood character, pride, and good stewardship.

Options:

- Approve the resolution granting special valuation for the historic property at 101 Olympic Way NW.
- Do not approve the resolution.
- Provide alternate direction.

Financial Impact:

Approving the application will result in no direct financial impact to City budgets. Staff time for processing Special Valuation applications is included in the operating budget.

Attachments:

Resolution

Agreement

Olympia Heritage Commission Recommendation

Certificate of Approval