

DISCUSSION/DIRECTION

DOUGLAS COUNTY HOUSING PARTNERSHIP FEE WAIVER REQUEST

JUNE 2, 2020



DCHP FEE WAIVER REQUEST

OAKWOOD SENIOR APARTMENTS

FEE WAIVER REQUEST

- Douglas County Housing Partnership (DCHP) requests a \$200,000 fee waiver for its Oakwood Senior II attainable housing project
- Supported by Douglas County, Castle Rock Senior Center and Aging Resources of Douglas County
- Total project cost estimated to be \$15,869,022
- Total project fees estimated to be \$961,499 including permitting, impact and system development fees
- Located at 501 Oakwood Drive in District 4 (Councilmember Bower)



DCHP FEE WAIVER REQUEST

OAKWOOD SENIOR APARTMENTS

OAKWOOD SENIOR APARTMENTS

- Currently consists of 64-unit attainable senior housing units, as approved in 1983
- Owned by Douglas County Housing Partnership
- Amended plan approved by Town Council in October 2019 to increase to 109 total units
- Proposed project removes one existing apartment building, the clubhouse and leasing center – replaces them with new leasing and amenity center and additional attainable senior apartments to reach total of 109 units



DCHP FEE WAIVER REQUEST

OAKWOOD SENIOR APARTMENTS

FEE WAIVER AUTHORITY

The Town's Municipal Code provides Town Council authority to attainable housing fee waivers:

§3.16.050 - Attainable housing fee reduction.

A qualifying attainable housing project shall be eligible to receive up to a one-hundred-percent reduction, per qualifying attainable housing unit, in the amount of the otherwise applicable development impact fees.

§13.12.080 - System development fees.

J. A qualifying attainable housing project shall be eligible to receive up to a one-hundred-percent reduction, per qualifying attainable housing unit, in the amount of the otherwise applicable system development fees.

A qualifying attainable housing project and unit shall be defined as a housing project or unit participating in an attainable or affordable housing program through the Douglas County Housing Partnership, Colorado Housing Finance Authority or other certified local, state or federal attainable housing program. An application for this attainable housing fee reduction must be approved by the Town Council.

DCHP FEE WAIVER REQUEST

OAKWOOD SENIOR APARTMENTS

TOWN USE OF FEE WAIVERS

- Auburn Ridge (80 attainable housing units): \$200,000
- In addition to attainable housing projects, the Town has utilized fee waivers on economic assistance projects:
 - Mercantile Commons (\$290,000)
 - Riverwalk (\$3.6M)
 - Encore (\$2.65M)
- Note that in previous cases, the Town funds impacted by the fee waiver were made whole by use of the General Fund, Economic Development Fund or with the downtown tax increment financing (TIF) mechanism. However, Town Code does not require that impacted funds be repaid for Council approved fee waivers.

DCHP FEE WAIVER REQUEST

OAKWOOD SENIOR APARTMENTS

FINANCIAL IMPACT

- If approved by Town Council, staff recommends distributing the fee waiver request proportionally across all impact and system development fees

	<u>Project Fees</u>	<u>Fee Waiver</u>	<u>Revised Fees</u>
Permit & Other Fees	\$ 190,228	\$ -	\$ 190,228
Parks & Recreation Impact Fee	208,260	(54,008)	154,252
Municipal Facilities Impact Fee	10,935	(2,836)	8,099
Fire Impact Fee	33,390	(8,659)	24,731
Police Impact Fee	16,740	(4,341)	12,399
Transportation Impact Fee	380,610	(98,703)	281,907
Stormwater System Development Fee	36,990	(9,593)	27,397
Water System Development Fee	12,201	(3,164)	9,037
Water Resources System Development Fee	58,698	(15,222)	43,476
Wastewater System Development Fee	13,397	(3,474)	9,923
Total	\$ 961,449	\$ (200,000)	\$ 761,449

DCHP FEE WAIVER REQUEST

OAKWOOD SENIOR APARTMENTS

RECOMMENDATION

- Staff recommends approval of the DCHP fee waiver request of \$200,000, with the requirement that the applicant must pull necessary permits by December 31, 2020
- Given current economic uncertainty, the funds affected by the waived fees would not be repaid from another funding source to compensate for lost revenue

NEXT STEPS

- Pending Town Council approval, next steps would be to generate an agreement between the Town and Douglas County Housing Partnership regarding the fee waiver – this agreement can be approved administratively



QUESTIONS?



PROPOSED MOTION

“I MOVE TO APPROVE A \$200,000 FEE WAIVER FOR DOUGLAS COUNTY HOUSING PARTNERSHIP RELATED TO THE OAKWOOD II ATTAINABLE SENIOR LIVING PROJECT ASSUMING THE APPLICANT PULLS NECESSARY PERMITS BY DECEMBER 31, 2020.”