



**Public Hearing Item 15: Consider Request for Delay of Payment of Capacity Fees for Non-Profit Public Benefit Project – Peninsula Shelter Project, 1292 Olympia Avenue, Seaside**

Applicant: Community Human Services and Gathering For Women

February 19, 2020

# Summary

- Community Human Services (CHS) and Gathering For Women (GFW) are requesting Board approval for delayed collection of the Capacity Fees associated with a Water Permit for the Peninsula Shelter Project
- The project will provide 30 beds for families, women and children
  - Classroom, reception, dining, and laundry areas
- Change of Use results in increased Water Use Capacity of 0.315 AF
- Capacity Fees of \$8,693.07 will be due when the Water Permit is issued

# Request for Delay of Payment

- CHS and GFW are 501(c)(3) non-profit organizations
- CHS and GFW have stated that substantial financial hardship would occur by requiring payment of the Capacity Fees
- Homeless Emergency Assistance Program (HEAP) funding was awarded for the capital development of the property and a few months of shelter operations
  - Applicant responsible for covering initial operating expenses
- Payment of the Capacity Fee could negatively affect the ability to complete construction with the timelines specified by HEAP

# Rule 24-H-2

- The Board may defer payment for California Non-Profit Public Benefit Corporation projects when payment of the Capacity Fee would result in substantial financial hardship to the project proponent such that the project would be jeopardized
- When a delay is approved, a deed restriction is recorded on the property
- Payment of the deferred Capacity Fee, together with deferred interest at a rate set by the Board, must be paid in full if project ownership or occupancy transfers to a non-California Non-Profit Public Benefit Corporation

# Recommendation

- The Administrative Committee supports this request and recommends interest be set at 4%. This rate will be shown on the deed restriction
- Staff recommends the Board adopt the Findings of Approval to allow delayed payment of Capacity Fees for the Peninsula Shelter Project at 1292 Olympia Avenue in Seaside
  - Finding 5 should be corrected to reflect the interest rate selected by the Board

Staff reports, ordinances and presentation materials can be found on the District's website at:

[www.mpwmd.net](http://www.mpwmd.net)

PowerPoint presentations will be posted on the website the day after the meeting