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RESOLUTION _____

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A RESOLUTION adopting the application form for the Multifamily Housing Property Tax Exemption Program, Chapter 5.73 of the Seattle Municipal Code.

WHEREAS, the Seattle City Council passed Ordinance 123550 reauthorizing the Multifamily Housing Property Tax Exemption Program as Seattle Municipal Code Chapter 5.73; and

WHEREAS, RCW 84.14.050 requires the City's governing authority to adopt the form to be used by owners to apply for limited property tax exemption under the Multifamily Housing Property Tax Exemption Program; NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE
MAYOR CONCURRING, THAT:**

The Seattle City Council hereby adopts the application form, attached hereto as Exhibit A, to be provided by the Office of Housing to applicants for the City's Multifamily Housing Property Tax Exemption Program, Seattle Municipal Code Chapter 5.73.



1
2 Adopted by the City Council the ____ day of _____, 2011, and
3 signed by me in open session in authentication of its adoption this ____ day
4 of _____, 2011.

5 _____
6 President _____ of the City Council

7
8 THE MAYOR CONCURRING:

9
10 _____
11 Michael McGinn, Mayor

12
13 Filed by me this ____ day of _____, 2011.

14
15 _____
16 Monica Martinez Simmons, City Clerk

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18 (Seal)

19 Exhibit A: Multifamily Housing Property Tax Exemption Program Form of Application
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FORM OF APPLICATION

Multifamily Housing Property Tax Exemption Program

Please read the following before filling out the application:

1. Applications must be submitted any time **prior** to issuance of the first building permit by DPD for the project described in this application. Permits may be picked up any time after the Owner submits an application to the Office of Housing.
2. One copy of the application, including program fee, should be submitted to:

Office of Housing
Seattle Municipal Tower
700 Fifth Avenue, 57th floor
PO Box 94725
Seattle, WA 98124-4725

Current Fee Schedule: \$[] for residential-only project; \$[] for mixed-use project.

3. Answers to commonly asked questions:
 - A. Affordable unit rent limits represent the maximum that can be charged for rent plus utilities.
 - B. A charge for parking does not count toward the maximum rent for affordable units as long as the charge is optional;
 - C. The mix and configuration of affordable units must be proportional to the mix and configuration of the total units in a project; for example, if studios are 30% of total units, no more than 30% of the affordable units can be studios.

Questions? Contact Amy Gray at 206-684-0262 or amy.gray@seattle.gov



APPLICATION
Multifamily Housing Property Tax Exemption
(Pursuant to Chapter 5.73 of the Seattle Municipal Code)

Applicant's Information

Owner: _____

Address: _____

Phone: _____ FAX: _____

E-mail: _____

Owner's Representative: _____
(if applicable)

Address: _____

Phone: _____ FAX: _____

e-mail: _____

Contact name and number: _____

Note: This application is intended to be signed by the building owner of record. The application may be rejected or additional documentation required if the signer is other than the building owner of record.

Property Information

Interest in property:
 Fee Simple Contract purchase Other (describe) _____

County Assessor's parcel account number(s): _____

Street Address: _____

Legal Description (Attach separate sheet if needed): _____



Form of Application: Multifamily Housing Property Tax Exemption Program
 City of Seattle Office of Housing

Residential Targeted Area (See SMC 5.73.030(D)): _____

Project Information

Project Name or Designation: _____

Brief written description of the project (preliminary conceptual design, description of unit finishes, site plan and floor plans of the units and structure must be submitted with this application): _____

Type of Project (check all that apply):

Residential Rental Residential For-Sale Mixed Use

Number of Dwelling Units Proposed: Rental _____ For Sale _____ Total _____

Floor area: Building total (sq. ft.) _____ For permanent residential occupancy (sq. ft.)* _____

If there are multiple buildings, please list them separately.

**Include residential common areas, circulation and mechanical space, and residential parking in calculation of residential square footage. Exclude dwelling units offered for rent for periods of less than one month. "Residential parking" includes: (1) parking required by the Seattle Land Use Code as accessory to residential use; (2) resident parking included in lease or sale price of residential units; (3) parking restricted by agreement to use by residential owners or tenants.*

Unit Information

Unit Type (# BRs)	Total # of units	Approx. avg. sf.	Projected rent or sales price – market rate units	# of units – affordable	Projected rent or sales price – affordable units
Total					



Form of Application: Multifamily Housing Property Tax Exemption Program
City of Seattle Office of Housing

Non-residential Space (if applicable)

Description _____ Floor Area (sq. ft.) _____

Affordability. To be granted the tax exemption, the owner must agree to meet the following requirements: (please affirm by checking one).

For Rental Projects: at least 20% of the units affordable at or below []% of median income for studios, at or below [] % of median for 1-bedroom units, and at or below []% of median for 2-bedroom and larger units.

For Homeownership Projects: units affordable at or below []% of median income for studios, at or below []% for 1-bedroom units, and at or below []% of median for 2-bedroom and larger units are eligible for consideration. The units must be identified.

Construction costs and permit status:

Projected total cost of new construction/rehabilitation: \$ _____

If mixed use, projected cost of residential improvements: \$ _____

Estimated construction start date: _____ Estimated completion date: _____

List permits (with permit numbers) and approvals obtained as of the date of tax exemption application:



Form of Application: Multifamily Housing Property Tax Exemption Program
City of Seattle Office of Housing

CHECK ALL THAT APPLY:

New Construction. Will any occupied housing units be demolished? YES NO

Were any occupied housing units demolished in the past months on this site? YES NO

Date of demolition (if known): _____

of existing units to be demolished _____ # of units demolished in past months _____

If yes, will any residents be displaced, or have any residents been displaced, as part of this project?

YES NO

Other City of Seattle Programs. Do you intend to apply to any other City of Seattle incentive programs? YES NO

If yes, please state the incentive program and the status of that application:

Rehabilitation of Vacant Units. # of vacant housing units _____

Date units last occupied: _____ Building is is not in compliance with applicable building and housing codes.

- Sign (before a Notary Public) the Rehabilitation of Vacant Building Affidavit (form available from Office of Housing) and attach to this Application if you are rehabilitating a vacant multifamily housing structure.
- Attach verification from the Department of Planning and Development if building is not in compliance with building and housing codes.

Rehabilitation of Occupied Units. Will four or more additional units be created as part of a rehabilitation project? YES NO

If yes, will any residents be displaced as part of this project? YES NO



Attachments to Application

Please attach and check the following:

- Preliminary conceptual design, including site plan and floor plans of the multifamily units and the overall structure.
- A current title report.
- Copies of documents evidencing the type of Owner entity or entities and organizational structure, such as operating agreements, incorporation documents or partnership agreements.
- A sample signature block for the Owner entity.
- Evidence of authority of the person or persons signing the application.
- A market study, that includes comparable rents in other nearby housing projects.
- For rehabilitation of an existing vacant structure, verification from DPD of non-compliance with applicable building and housing codes.
- Application fee of \$[] for residential use building, or \$[] for mixed residential and non-residential use building. Checks should be made payable to the City of Seattle.
- [Other][To be deleted or filled in by the Office of Housing if the Director determines that additional information is necessary or useful.]
- If applicable, Rehabilitation of Vacant Building Affidavit (form available from Office of Housing), filled out and signed by Owner before a Notary Public.



Statement of Potential Tax Liability

If the exemption is canceled for non-compliance an additional tax will be imposed that includes: (a) the difference between the tax paid and the tax that would have been owed if it had included the value of the non-qualifying improvements dated back to the date that the improvements became non-qualifying; (b) a penalty of 20% of the difference; (c) interest at the statutory rate on the tax and penalties calculated from the date the tax would have been due without penalty if the improvements had been assessed without regard to the exemptions provided by Chapter 84.14 RCW and Chapter 5.73 SMC.

Owner's initials: _____

Certification

As owner(s) of the land described in this application, I/We hereby indicate by my/our initials below that I/we are aware of the additional tax liability to which the property will be subject if the exemption authorized by Chapter 84.14 RCW and Chapter 5.73 SMC is canceled.

Owner's initials: _____

I/We declare under penalty of perjury under the laws of the State of Washington that the information contained in this Application and any attachments are accurate and correct to the best of my/our knowledge.

Owner's Signature

Date

Print Name

Title

Owner's Signature

Date

Print Name

Title



FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Office of Housing	Amy Gray/4-0262	Amanda Allen/4-8894

Legislation Title:

A RESOLUTION adopting the application form for the Multifamily Housing Property Tax Exemption Program, Chapter 5.73 of the Seattle Municipal Code.

Summary of the Legislation: The legislation adopts the application form for the Multifamily Housing Property Tax Exemption Program (MFTE), Chapter 5.73 of the Seattle Municipal Code.

Background: (Include a brief description of the purpose and context of legislation and include record of previous legislation and funding history, if applicable.)

RCW 84.14.050 requires the governing authority of a city to adopt the application form for the Multifamily Housing Property Tax Exemption (MFTE) Program administered by that city. State law requires the form to include the following: a description of the project, site plans, floor plans, and a statement that the applicant is aware of the potential tax liability involved when the property ceases to be eligible for tax exemption. Pursuant to provisions specified in Ordinance 123550, the new application form now asks for information relevant to the operation of the MFTE program, but which is not required by State law. The new application form also allows flexibility for the Director of Housing to request additional information from applicants as necessary without prompting further legislative action by the City Council.

Please check one of the following:

- This legislation does not have any financial implications.**
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City of Seattle
Office of the Mayor

April 26, 2011

Honorable Richard Conlin
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Conlin:

I am pleased to transmit the attached proposed Resolution that adopts the application form for the Multifamily Housing Property Tax Exemption Program (MFTE). RCW 84.14.050 requires the legislative authority of a city to adopt the application form for the MFTE administered by that city.

As required by State law, the application form includes a description of the project, site plans, floor plans, and a statement that the applicant is aware of the potential tax liability involved when the property ceases to be eligible for MFTE. In addition to this information, to effectively administer the program locally, the new application form now requires a copy of a current title report, evidence of ownership entity existence and structure, and a market study. Other information was removed from the application that was not pertinent to the operation of the program. The application form also provides flexibility to require additional information if the Director of Housing determines that it is necessary or useful. In ordinance 123550, that City Council passed to reauthorize the MFTE program, these changes were codified.

If you have any further questions regarding this legislation, please contact Rick Hooper at Rick.Hooper@Seattle.gov or at 684-0338.

Sincerely,

Michael McGinn
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

Michael McGinn, Mayor
Office of the Mayor
600 Fourth Avenue, 7th Floor
PO Box 94749
Seattle, WA 98124-4749

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Fax (206) 684-5360
TDD (206) 615-0476
mike.mcginn@seattle.gov

