

ANNUAL REPORTS

Applicants are required to submit an annual report to the Office of Housing for every year the property receives the tax exemption. The report form is available at: www.seattle.gov/housing/incentives/MFTEAnnualReportForm.xls.

The purpose of the annual report is to ensure compliance with affordability requirements. The report is essentially comprised of information already collected by, or known to, management.

The annual report includes information on:

- income eligibility for occupants of affordable units
- actual rent charged to tenants (including the utility allowance deduction if the tenant pays any utilities) on the affordable units
- actual rents on market-rate units
- any unit turnover or vacant units
- any improvements or changes to the project
- a certification from the owner that the project has not changed use and remains eligible for the property tax exemption



507 Northgate

This newly developed property at Fifth Avenue Northeast and Northeast Northgate Way participates in the program. This prime location has frequent bus service, many neighborhood resources, and is within walking distance of a transit center, library, community center and a new movie theater, restaurants and shops, including Northgate Mall. Out of 161 units, 49 are set aside for moderate-wage workers.



City of Seattle

Multifamily Property Tax Exemption Program Details & Application Process



Mural Apartments

Located in West Seattle, the Mural apartments are surrounded by ethnic eateries, eclectic shops, a playhouse, neighborhood pubs, several grocery stores, and a favorite old school European deli. Out of 136 apartments, 28 are set aside for moderate-wage workers.

Seattle's Multifamily Tax Exemption program allows developers to receive a property tax exemption on the residential portion of a development for up to 12 years. In exchange, 20% of the housing units in rental projects must be affordable for moderate-wage workers during the time the exemption is utilized. The program is available in 39 target areas in Seattle (see map on next page).

Program Details

The exemption is for residential portion only, not for land or commercial portions of projects. The exemption also is allowed on existing developments if four or more new units are added and rehabilitation work is completed on all of the existing units in the building.

The exemption can apply to rental or homeownership units:

Rental Projects

- Exemption applies to all rental units, not just the affordable units.
- 20% of the units must be rented to households with incomes at or below 65% of area median income for studios, at or below 75% AMI for one-bedroom units, and at or below 85% AMI for two-bedroom units.
- If tenant pays own utilities, a utility allowance must be deducted from rent. See an example utility worksheet available at: www.seattlehousing.org/residents/information/vouchers/utilities.

Homeownership Units

- Exemption is only available for homeowner units affordable to households with incomes at or below 100% of median for studio and one-bedroom units, and 120% or below median for two-bedroom and larger units.

Property tax exemption guidelines are located in the Seattle Municipal Code, Chapter 5.73. For more program details, contact Amy Gray, (206) 684-0262 or amy.gray@seattle.gov



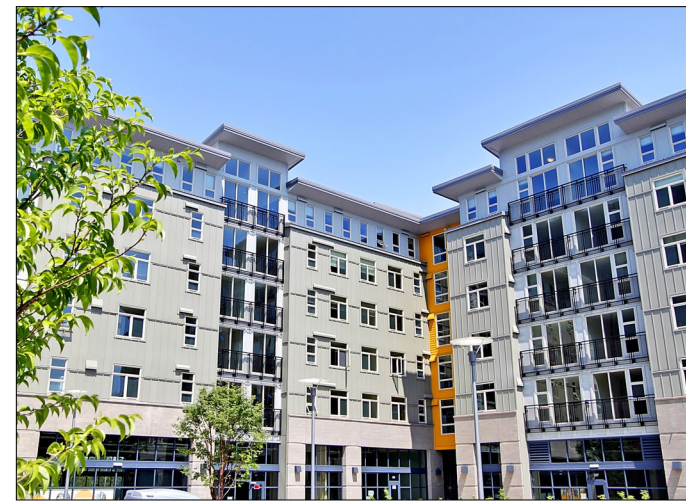
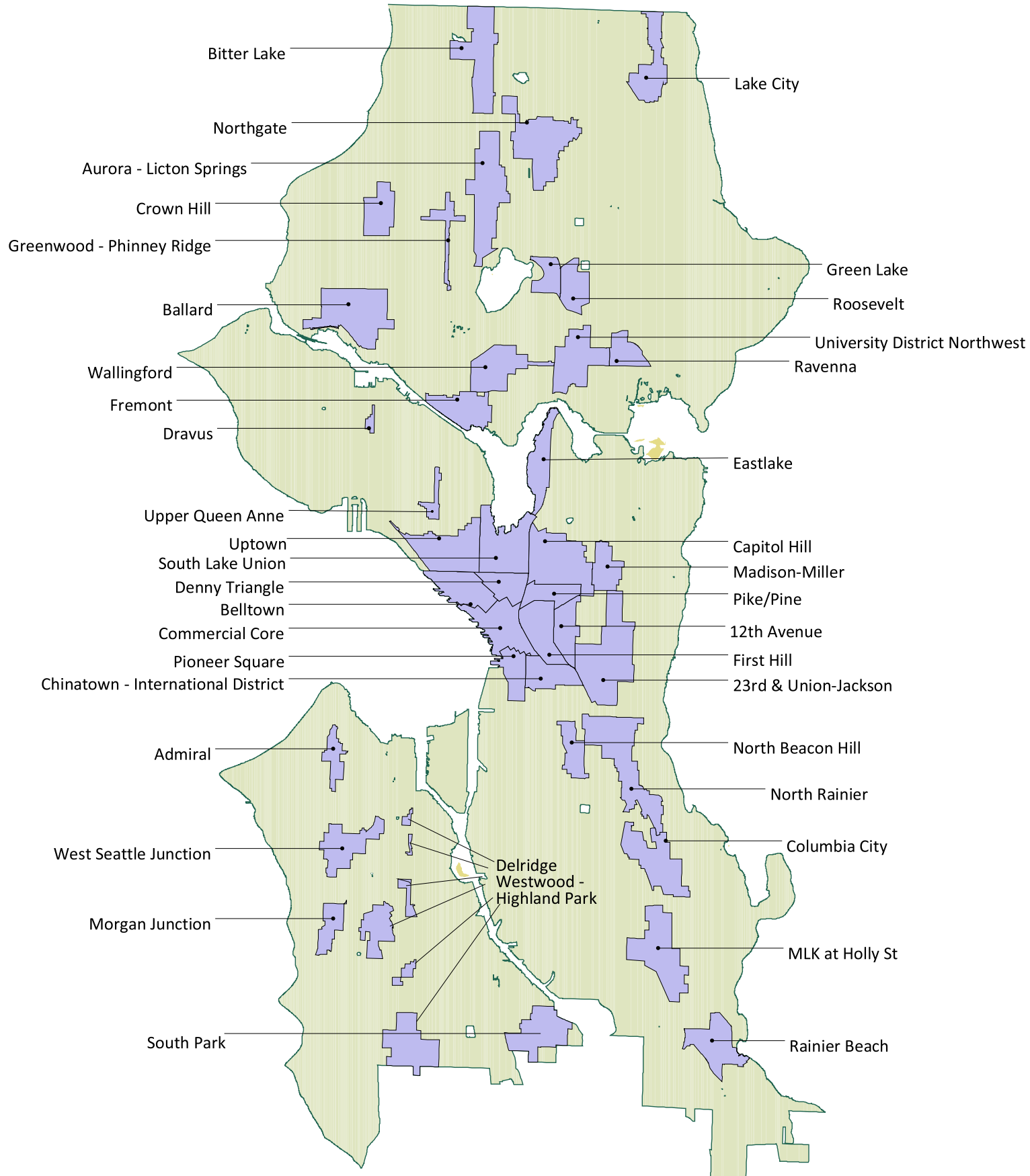
2011 Maximum Rent Limits by unit size	
Studio	\$988
1 Bedroom	\$1,303
2 Bedroom	\$1,661

2010 Area Median Income Limits for Homeownership Units		
Household Size	100% Area Median Income	120% Area Median Income
1 Person	\$60,800	\$72,960
2 Person	\$69,500	\$83,400
3 Person	\$78,200	\$93,840

The above rent amounts assume the costs of basic utilities are included in the rent. If the tenant pays basic utilities, a utility allowance needs to be deducted from the rent.

ELIGIBLE LOCATIONS

Eligible projects must be located within one of the residential targeted areas listed below. Detailed maps of each target area are available at www.seattle.gov/housing/incentives/mfte.htm.



Thornton Place – Northgate



The Cairns – South Lake Union



Pratt Park – 23rd & Union-Jackson

APPLICATION PROCESS

- Applications are due before the first building permit is issued.
- The Office of Housing reviews the application and if the project is eligible for the program, approval is granted within 90 days.
- The applicant has three years in which to complete the project.
- As the project nears completion, the applicant submits an Application for Final Certificate of Tax Exemption to the Office of Housing.
- The Office of Housing notifies the King County Assessor's office that the project is exempt from residential taxes for up to 12 years.
- The tax exemption begins Jan. 1 of the year following notification of the King County Assessor's office.

Hiawatha Artist Lofts

Artspace's Hiawatha Lofts is affordable housing for low-income artists at the corner of Hiawatha Place South and South Charles Street in the Jackson Place Neighborhood. Businesses in the ground-level commercial space include Working Dog Bikes, a coffee shop, a dance studio, a gallery for artists of color, and a youth-focused non profit. All 61 units are affordable to households earning up to 60% area median income.



Hiawatha Lofts



Hiawatha Lofts interior