

Multi-Family Property Tax Exemption Conditional Certificate Application

(See SeaTac Municipal Code 3.85 for complete requirements and procedures)

OFFICIAL USE ONLY

Permit Number:

DEFINITION AND PURPOSE

The multi-family property tax exemption (MTE) provides special tax valuations for new multi-family housing located within the Urban Center. Qualifying multi-family housing receive property tax exemptions on the value of eligible improvements for eight (8) years for market-rate housing and twelve (12) years for affordable housing. In order to receive the 12-year exemption, at least twenty percent (20%) of the multi-family housing units must be rented or sold as affordable housing units to low- and moderate-income households.

The purpose of the MTE is to encourage residential opportunities and stimulate new construction of multi-family housing within the Urban Center.

PROCEDURE

1. **Application.** The applicant submits a complete application to the Department of Community and Economic Development. The MTE application shall be submitted any time before or in conjunction with an application for a building or other construction permit. Please note that no new applications shall be accepted under this section after December 31, 2024.
2. **Review process.**
 - a. The City reviews the application to determine whether it is consistent with the criteria in SMC 3.85.
 - b. **Approval.**
 - i. If the proposal is found to be consistent, the City approves the application.
 - ii. The applicant enters into a contract with the City, approved by the City Council, regarding the terms and conditions of the project.
 - iii. The City issues a conditional certificate of acceptance of tax exemption. The conditional certificate expires three (3) years from the date of approval unless an extension is granted as provided in SMC 3.85.
 - c. **Denial.** If the City denies the application, the City sends a notice of denial to the applicant within ten (10) working days of the denial. The applicant may appeal the denial to the City Council within fifteen (15) calendar days of the date the denial was mailed.

APPLICATION CHECKLIST

The following materials are the minimum that must be submitted to review your application to determine that it is “complete” or “incomplete” as provided under RCW 36.70B.060. Additional information may be required after review of your proposal. Please do not turn in your application until all items listed below have been checked off. Applications will not be accepted unless complete.

#	Item	Applicant	Staff
1.	A completed application form along with three (3) copies.		
2.	A legal description of the subject property.		
3.	A Title Report (dated within the last 90 days).		
4.	Three (3) copies of preliminary schematic site plan and floor plans of the multi-family units and the overall structure.		
5.	One paper reduction of each oversized plan to 8.5” x 11”.		
6.	All oversized plans folded to 8.5” x 14” at largest.		
7.	Initial application fee of \$1,200.00 + \$5.50 tech fee.		

ELIGIBILITY

To be eligible for the MTE, the property must satisfy all of the following requirements:

- ☐ The property must be located in the Urban Center;
- ☐ The project must consist of at least twenty (20) dwelling units of multi-family housing, located within a residential structure or a mixed-use development, which are intended for permanent residential occupancy;
- ☐ The property must be used and/or developed in a way that increases or preserves property valuation, and the use or development of the property must represent an increased investment in the property and property maintenance that results in an increase in the over-all property values in the target area;
- ☐ The project must comply with all zoning requirements, land use regulations, and building code requirements contained in the SeaTac Municipal Code (SMC) and applicable upon land use permit approval or submittal of a complete building application, whichever occurs sooner;
- ☐ For the duration of the exemption, the property shall be in full compliance with the provisions of the SMC;
- ☐ New construction of multi-family housing must be completed within three (3) years from the date of approval of the application or by any extended deadline granted by the City; and
- ☐ The owner must enter into a written agreement with the City in which the owner has agreed to the implementation of the development on terms and conditions satisfactory to the City.

PROPERTY INFORMATION

Street Address: _____ Parcel #: _____

Site Area (square feet): _____ Zoning: _____

PROJECT INFORMATION

Name: _____

Description (attach additional pages if necessary): _____

Term of Tax Exemption Requested: ☐ 8-Year ☐ 12-Year

Floor Area (square feet):

Project Total: _____ For Permanent Residential Occupancy¹: _____

Estimated Construction Costs:

Project Total: _____ For Permanent Residential Occupancy¹: _____

Anticipated Start Date: _____ Anticipated Completion Date: _____

Number of Dwelling Units:

Rental

Unit Type Affordability ²	Number of Units	Percentage of Total Units
Low-Income		
Moderate-Income		
Market-Rate		
Total		

Owner-Occupied

Unit Type Affordability ²	Number of Units	Percentage of Total Units
Low-Income		
Moderate-Income		
Market-Rate		
Total		

¹ Includes residential common areas, circulation and mechanical space, and residential parking in calculation of residential square footage. Excludes housing units offered for rent for periods of less than one month.

² Affordable housing: housing costs do not exceed 30% of the household's monthly income.

Low-income: Less than or equal to 80% of the area median income (AMI).

Moderate-income: Greater than 80% of AMI but less than or equal to 115% of AMI.

Market-rate: Greater than 115% of AMI.

APPLICANT INFORMATION

Applicant

Name: _____ ☐ Owner ☐ Authorized Agent ☐ Purchaser

Mailing Address: _____

Phone: _____ Email: _____

Owner (if other than applicant)

Name: _____

Mailing Address: _____

Phone: _____ Email: _____

SIGNATURE, CERTIFICATION

1. I declare that I am the owner of the property involved in this application, and that the foregoing statements and answers herein contained and the information herewith submitted are in all respects true and correct to the best of my knowledge and belief.
2. As owner of the land described in this application, I hereby indicate by my signature below that I am aware of the additional tax liability to which the property will be subject if the exemption authorized by Chapter 84.14 RCW and Chapter 3.85 SMC is canceled.
3. I, as owner of property involved in this application, am aware that 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 nonqualifying improvements dated back to the date that the improvements became nonqualifying; (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 3.85 SMC.

Owner's Signature: _____ Date: _____

Printed Name: _____