1459-ORD
06/10/15

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CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 6231

AN ORDINANCE amending the Bellevue City Code to include a new Chapter 4.52 Multifamily Housing Property Tax Exemption; and establishing an effective date.

WHEREAS, the Council desires to encourage more multifamily housing opportunities within the City and stimulate the construction of new multifamily housing; and

WHEREAS, the Council desires to encourage the creation of affordable mixed-income housing for households with a range of incomes in Residential Targeted Areas (RTA); and

WHEREAS, the Council desires to accomplish the planning goals required under the Growth Management Act, Chapter 36.70A RCW (GMA), as implemented by the City's Comprehensive Plan; and

WHEREAS, the Council desires to promote community development and affordable housing in the City, especially Residential Targeted Areas; and

WHEREAS, the Council desires to encourage additional housing in certain areas to support investment in public transit projects; and

WHEREAS, Revised Code of Washington, Chapter 84.14 RCW allows a short term exemption from property taxation (known as the "multifamily tax exemption" (MFTE)) for the value of new housing construction in designated RTAs; and

WHEREAS, the MFTE is consistent with Bellevue's city-wide housing policies #HO-33: *Explore financial incentives to encourage affordable housing such as partial exemptions from city permit fees and use of the state property tax exemption program;* and #HO-12: *Provide incentives to encourage residential development for a range of household types and income levels in commercial zones;* and

WHEREAS, the MFTE promotes Council Priority #7 of the City's Economic Development Plan, *Promote housing opportunities for the needs of our diverse population* and related direction to *Bring forward a multifamily property tax exemption for Council's consideration* and Economic Development Plan Direct Strategy E *Encourage a variety of housing choices within the city,* and calls out the multifamily tax exemption program as a tool to be explored; and

WHEREAS, the Council finds that the Bel-Red Area, Downtown Bellevue, Eastgate Planning Area, Crossroads Village, and Wilburton Commercial RTAs meet the following criteria:

(a) They are located within an urban center;
(b) They lack sufficient available, desirable, and convenient residential housing, including affordable housing, to meet the needs of the public who would be likely to live in the urban center, if the affordable, desirable, attractive, and livable places to live were available;
(c) The provision of additional housing opportunities, including affordable housing, in the area, will assist in achieving one or more of the stated purposes of Chapter 84.14 RCW; and

now, therefore,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. The Council determines that the Bel-Red Area, Downtown Bellevue, Eastgate Planning Area, Crossroads Village, and Wilburton Commercial area qualify as Residential Targeted Areas (RTAs), each meeting the following criteria under Chapter 84.14 RCW:

(a) They are located within an urban center;
(b) They lack sufficient available, desirable, and convenient residential housing, including affordable housing, to meet the needs of the public who would be likely to live in the urban center, if the affordable, desirable, attractive, and livable places to live were available;
(c) The provision of additional housing opportunities, including affordable housing, in the area, will assist in achieving one or more of the stated purposes of Chapter 84.14 RCW; and

Section 2. Chapter 4.52 Multifamily Housing Property Tax Exemption of the Bellevue City Code is hereby enacted as follows:

Chapter 4.52
MULTIFAMILY HOUSING PROPERTY TAX EXEMPTION

Sections:

4.52.010 Purpose
4.52.020 Definitions
4.52.025 Director's Authority
4.52.030 Residential Targeted Areas—Criteria—Designation—Rescission
4.52.040 Project Eligibility
4.52.050 Application Procedure—Fee
4.52.060 Application Review—Issuance of Conditional Certificate—Denial—Appeal
4.52.065 Amendment of MFTE Contract
4.52.070 Extension of Conditional Certificate
4.52.080 Final Certificate—Application—Issuance—Denial and Appeal
4.52.090 Exemption—Duration—Affordability Requirements—Limits
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4.52.100 Annual Certification—Cancellation of Exemption
4.52.110 Appeals to Hearing Examiner
4.52.120 Annual Reporting
4.52.130 Expiration of Program
4.52.140 Conflicts
4.52.150 Severability

4.52.010 Purpose

A. The purposes of this chapter are to:

1. Encourage more multifamily housing opportunities within the city;

2. Stimulate the construction of new multifamily housing;

3. Encourage the creation of mixed-income housing that is affordable to households with a range of incomes in Residential Targeted Areas;

4. Accomplish the planning goals required under the Growth Management Act, Chapter 36.70A RCW, as implemented by the city's comprehensive plan;

5. Promote community development and affordable housing in the city, especially residential targeted areas;

6. Encourage additional housing in certain areas to support investment in public transit projects.

B. Any one or a combination of these purposes may be furthered by the designation of a residential targeted area under this chapter.

4.52.020 Definitions

The following definitions are specific to this chapter and shall have the following meanings:

A. "Affordable Unit" means a Dwelling Unit as defined in Bellevue Land Use Code that is reserved for occupancy and rented at an affordable rent to an eligible household.

B. "Affordable Rent" means that the annual rent plus tenant paid utilities and other required expenses for the unit does not exceed thirty (30%) of the percentage of the applicable Median Income adjusted for household size designated in Section 4.52.090 of this chapter for qualifying affordable units.

C. "Assessor" means the King County assessor.

D. "Director" means the director of the city's Department of Planning and Community Development, or any other city office, department or agency that shall succeed to its functions with respect to this chapter, or his or her authorized designee.

E. "Eligible household" means one or more adults and their dependents who, as set forth in the regulatory agreement referenced in Section 4.52.040(E), certify that their household annual income does not exceed the applicable percent of the King County Median Income; and who certify that they meet all qualifications for eligibility, including any requirements for recertification on income eligibility.

F. "Household annual income" means the aggregate annual income of all persons over eighteen years of age residing within the same household for a period of at least four months.

G. "King County Median Income" means the median income for the Seattle-Bellevue, WA HUD Metro FMR Area as most recently determined by the Secretary of Housing and Urban Development (the "Secretary") under Section 8(f)(3) of the United States Housing Act of 1937, as amended, or if programs under Section 8(f)(3) are terminated, median income determined under the method used by the Secretary immediately prior to termination.

H. "MFTE" means Multifamily Property Tax Exemption.

I. "MFTE Contract" means the agreement between the property owner and the city regarding the terms and conditions of the project and eligibility for exemption under this chapter.

J. "MFTE Covenant" means the agreement that is in a form acceptable to the city attorney that addresses price restrictions, eligible household qualifications, long-term affordability, and any other applicable topics of the affordable housing units as referenced in Section 4.52.040(E) of this chapter.

K. "Multifamily Housing" means a building or townhouse project having four or more dwelling units designed for Permanent Residential Occupancy resulting from new construction.

L. "Owner" means the property owner of record.

M. "Permanent Residential Occupancy" means Multifamily Housing that provides either rental occupancy for a period of at least one month, and excludes transient lodging as defined in LUC 20.50.048 now or as hereafter amended.

N. "Project" means the Multifamily Housing or portion of the Multifamily Housing that is to receive the tax exemption.

O. "Residential Targeted Area" means an area within an urban center as defined by Chapter 84.14 RCW (now or as hereafter amended), and the city that has been designated by the city council under this chapter.

4.52.025 Director's Authority

A. General authority. The Director of the Department of Planning and Community Development is charged with the administration and enforcement of the provisions of this chapter.

B. Recording. The director is authorized to cause to be recorded, or to require the owner to record, in the real property records of the King County department of records and elections, the MFTE contract with the city required under Section 4.52.060A, and such other document(s) as will identify such terms and conditions of eligibility for exemption under this chapter as the director deems appropriate for recording, including requirements under this chapter relating to affordability of units.

C. Power to correct errors. The director may at any time amend an administrative decision to correct error clearly identifiable from the public record. Such a correction does not affect any time limit provided for in this chapter.

D. Power to clarify. The director may at any time clarify a statement in a written administrative decision as long as the clarification does not alter the intent or effect of the decision.

E. Power to adopt procedures, fees. The director may develop, adopt, and carry out procedures as needed to implement this code, including, but not limited to, setting fees and charges imposed pursuant to this code and developing procedures for periodic adjustment of these fees and charges.

4.52.030 Residential Targeted Areas—Criteria—Designation—Rescission

A. Following notice and public hearing as prescribed in RCW 84.14.040 (now or as hereafter amended), the city council may designate one or more residential targeted areas, in addition to the areas stated in subsection (d) of this section, upon a finding by the city council in its sole discretion that the residential targeted area meets the following criteria:

1. The residential targeted area is within an urban center as defined by Chapter 84.14 RCW or as hereafter amended;

2. The Residential Targeted Area lacks sufficient available, desirable and convenient residential housing, including affordable housing, to meet the needs of the public who would be likely to live in the urban center if the affordable, desirable, attractive and livable residences were available; and

3. Providing additional housing opportunity, including affordable housing, in the Residential Targeted Area will assist in achieving one or more of the following purposes:

   a. Encourage increased residential opportunities within the city; or

   b. Stimulate the construction of new affordable multifamily housing.

B. In designating a residential targeted area, the City Council may also consider other factors, including:

   1. Whether additional housing in the residential targeted area will attract and maintain an increase in the number of permanent residents;

   2. Whether providing additional housing opportunities for low and moderate income households would meet the needs of citizens likely to live in the area if affordable residences were available;

   3. Whether an increased permanent residential population in the residential targeted area will help to achieve the planning goals mandated by the Growth Management Act under Chapter 36.70A RCW, as implemented through the city's comprehensive plan; or

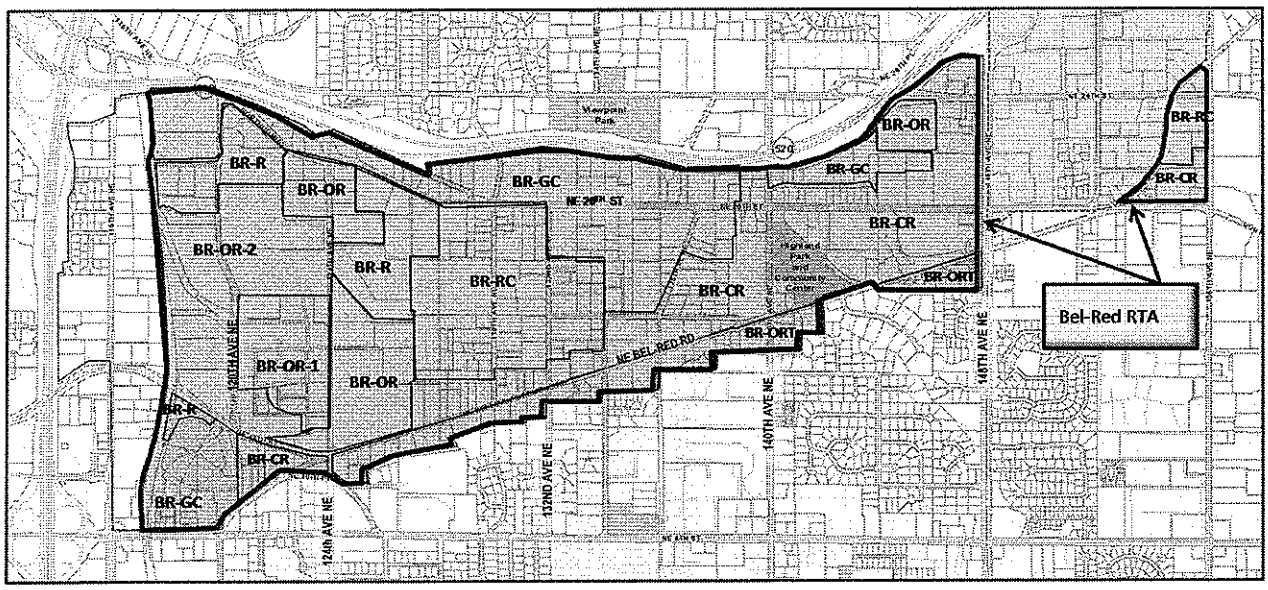
   4. Whether encouraging additional housing in the residential targeted area supports plans for significant public investment in public transit or a better jobs and housing balance.

C. At any time, the City Council may, by ordinance, in its sole discretion, amend or rescind the designation of a Residential Targeted Area pursuant to the same procedural requirements in Subsection 4.52.030(A) for the original designation.

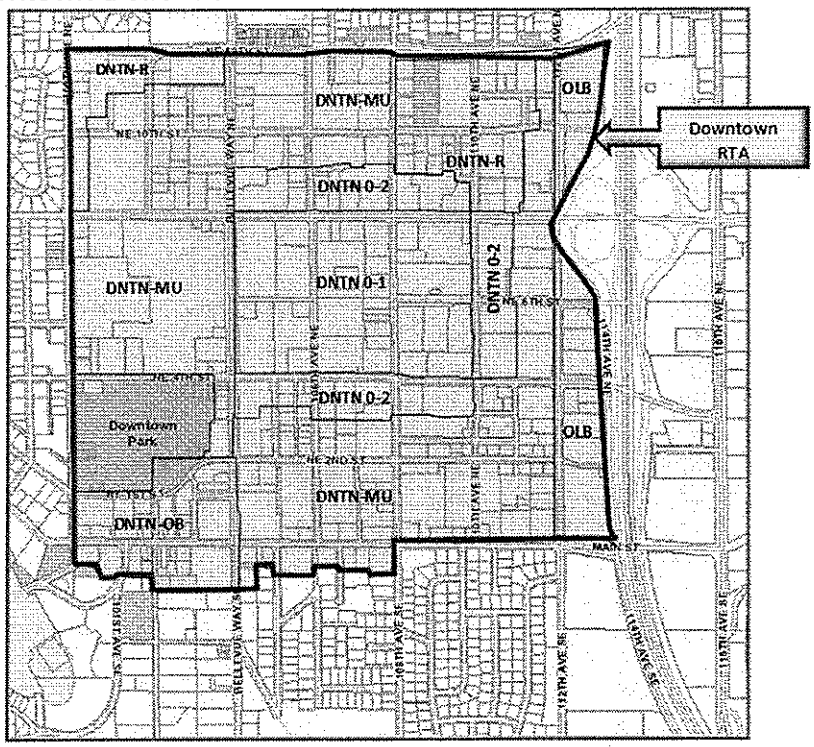
D. The following areas, as shown in Maps 1 through 5 in this section, meet the criteria of this chapter for Residential Targeted Areas and are designated as such:

   1. Bel-Red Area;
   2. Downtown Bellevue Area;
   3. Eastgate Planning Area;
   4. Crossroads Village Area;
   5. Wilburton Commercial Area.

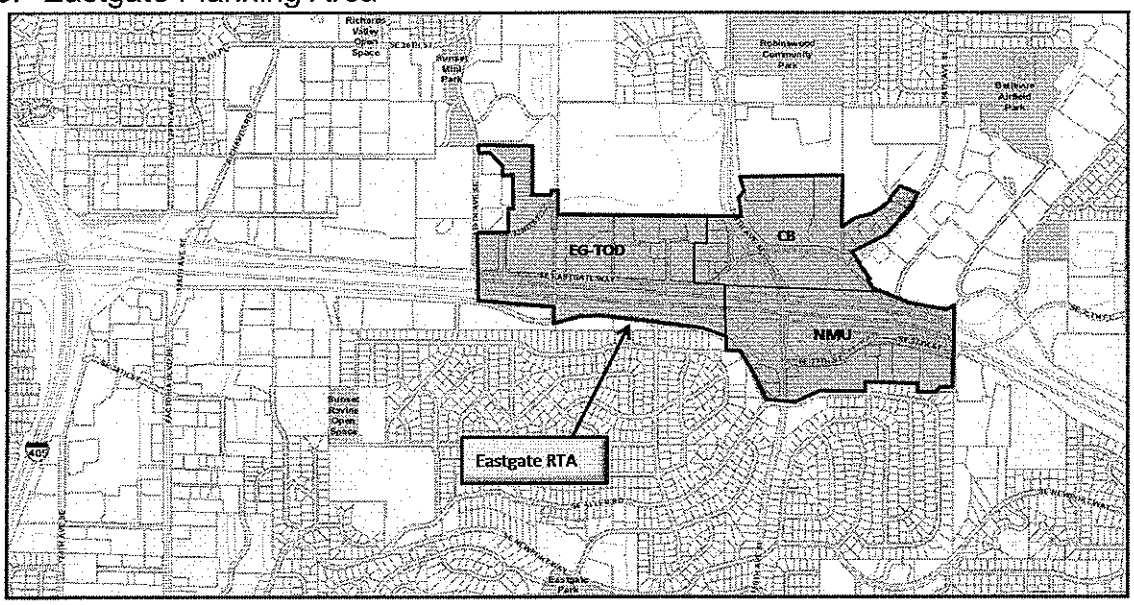
1. Bel-Red Area



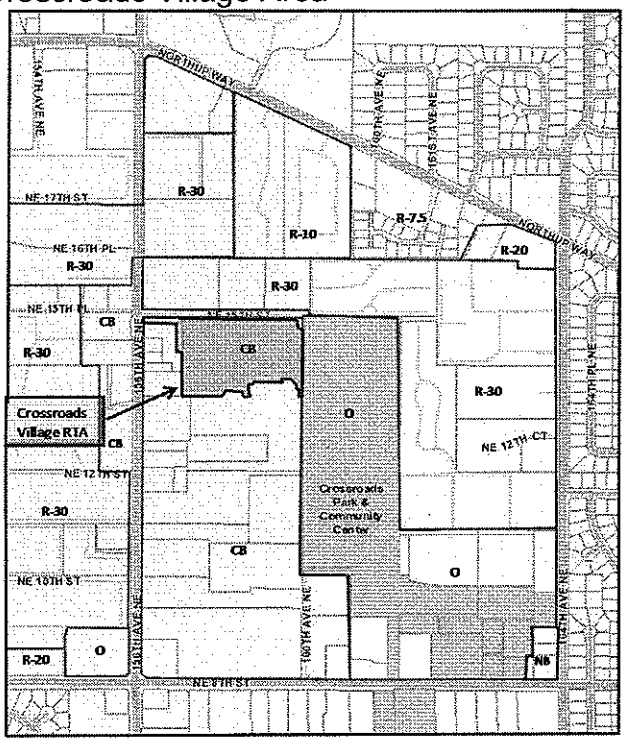
2. Downtown Bellevue Area



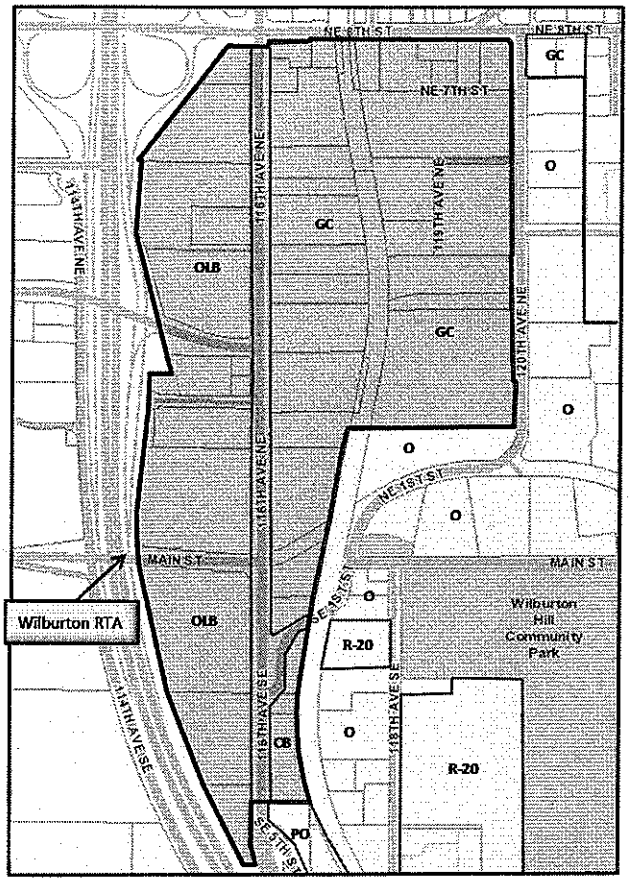
3. Eastgate Planning Area



4. Crossroads Village Area



5. Wilburton Commercial Area



E. If a part of any legal lot is within a residential targeted area as shown in Maps 1 through 5 in this section, then the entire lot shall be deemed to lie within such residential targeted area.

4.52.040 Project Eligibility

To be eligible for exemption from property taxation under this chapter, the property shall satisfy all of the following requirements:

A. The property must be located in a Residential Targeted Area.

B. The project must be new construction multifamily rental housing consisting of at least four dwelling units within a residential structure or as part of a mixed use development, in which at least fifty percent of the space within such residential structure or mixed use development is intended for permanent residential occupancy.

C. No application may result in the net loss of existing affordable housing which receives housing assistance through federal low or moderate income housing programs (e.g., HUD Section 8 program).

D. Affordable housing shall be provided in the project as described in Section 4.52.090.

E. Prior to issuing a certificate of occupancy, the owner shall record with the King County department of records and elections, an MFTE covenant in a form acceptable to the city attorney that addresses price restrictions, eligible household qualifications, long-term affordability, and any other applicable topics of the affordable housing units. This MFTE covenant shall be a covenant running with the land and shall be binding on the assigns, heirs and successors of the owner. Affordable units that are provided under this section shall continue to be made available to eligible households as affordable units for a minimum of twelve years from the date of initial occupancy.

F. The project must have a minimum of 15% of the housing units with two or more bedrooms.

G. The mix and configuration of housing units (e.g., studio, one-bedroom, two-bedroom, etc.) used to meet the requirement for affordable units at each level of affordability under Section 4.52.090 shall be substantially proportional to the mix and configuration of the total housing units in the project unless otherwise approved by the director. The affordable units will be constructed of similar quality and similar finishes as the other units in the project.

H. The project shall comply with all applicable provisions of the Bellevue City Code, including but not limited to Titles 14 (Transportation Code), 20 (Land Use Code), 21 (Comprehensive Plan), 22 (Development Code), 23 (Construction Codes) and 24 (Utilities Codes).

I. Construction of new multifamily housing must be completed within three years from the date of approval of the application, or within an extension authorized under this chapter.

4.52.050 Application Procedure—Fee

A. The owner of property applying for exemption under this chapter shall submit an application to the director, on a form established by the director. The owner shall verify the application by oath or affirmation. The application shall contain such information as the director may deem necessary or useful, and shall include but not limited to:

1. A brief written description of the project, including phasing if applicable, and preliminary schematic site and floor plans of the multifamily units and the structure(s) in which they are proposed to be located;

2. A statement from the owner acknowledging the potential tax liability when the property ceases to be eligible for exemption under this chapter;

3. Information describing how the owner will comply with the affordability requirements in Section 4.52.090; and

B. At the time of application under this section, the owner shall pay to the city an initial application fee as established by the director. In addition, at the time of application under this section, the owner shall pay to the city a fee of one hundred fifty dollars to cover the county assessor's administrative costs. If the director approves the application pursuant to Section 4.52.080, the city shall forward the fee for the county assessor's administrative costs to the county assessor. If the director denies the application pursuant to Section 4.52.080, the city shall refund the fee for the assessor's administrative costs to the owner within 30 days of the director's decision, or in the event the owner appeals the director's decision, within 30 days of the final decision of any appeal pursuant to the provisions of Section 4.52.115.

C. The director shall notify the owner within thirty days of the application being filed if the director determines that an application is not complete and shall identify what additional information is required before the application will be complete. Within thirty days of receiving additional information, the director shall notify the owner in writing if the director determines that the application is still not complete, and what additional information is necessary. A determination of completeness does not preclude the director from requiring additional information during the review process if more information is needed to evaluate the application according to the criteria in this chapter.

D. The deadline for application shall be any time before, but no later than, the date the first building permit under Title 23 of this code is issued for the multifamily housing structure.

4.52.060 Application Review—Issuance of Conditional Certificate—Denial—Appeal

A. The director shall approve an application for tax exemption if the director determines the project meets the eligibility requirements in section 4.52.040. If the application fails to meet the requirements of section 4.52.040 the director must deny the application. If the application is approved, the owner shall enter into a MFTE contract with the city regarding the terms and conditions of the project and eligibility for exemption under this chapter. The director's approval or denial shall take place within ninety days of the director's receipt of the completed application. Following execution of the MFTE contract by the owner and the city, the director shall issue a conditional certificate of acceptance of tax exemption. The conditional certificate shall expire three years from the date of approval unless an extension is granted as provided in this chapter.

B. If the application is denied, the director shall state in writing the reasons for the denial and send notice of denial to the owner's last known address within ten calendar days of the denial.

C. An owner may appeal the director's denial of the application in accordance with the provisions of section 4.52.115.

4.52.065 Amendment of MFTE Contract

A. An owner may seek an amendment of the MFTE contract between the owner and the City by submitting a request in writing to the Director at any time prior to receiving the Final Certificate of Tax Exemption ("Final Certificate").

B. The director may approve amendments to the MFTE contract between the owner and the city that are reasonably within the scope and intent of the MFTE contract.

C. Any owner seeking amendments to the approved MFTE contract shall pay to the city an amendment application fee as established by the director.

D. The date for expiration of the conditional certificate shall not be extended by contract amendment unless all the conditions for extension set forth in Section 4.52.070 are met.

4.52.070 Extension of Conditional Certificate

A. The director may extend the conditional certificate for a period not to exceed twenty-four consecutive months. The owner shall submit a written request stating the grounds for the extension together with a fee as established by the director. The director may grant an extension if the director determines that:

1. The anticipated failure to complete construction within the required time period is due to circumstances beyond the control of the owner;

2. The owner has been acting and could reasonably be expected to continue to act in good faith and with due diligence; and

3. All the conditions of the original MFTE contract between the owner and the city will be satisfied upon completion of the project.

4.52.080 Final Certificate—Application—Issuance—Denial and Appeal

A. Upon completion of the new construction as provided in the MFTE contract between the owner and the city, and upon issuance of a certificate of occupancy, the owner may request a final certificate of tax exemption. The owner shall file with the director such information as the director may deem necessary or useful to evaluate eligibility for the final certificate, and shall include:

1. A statement of expenditures made with respect to each multifamily housing unit, including phasing if applicable, and the total expenditures made with respect to the entire property;

2. A description of the completed work and a statement of qualification for the exemption;

3. A statement that the work was completed within the required three-year period or any approved extension; and

4. Information on the owner's compliance with the affordability requirements in Section 4.52.090.

B. Within thirty days of receipt of all materials required for a final certificate, the director shall determine whether the completed work is consistent with the application and MFTE contract and is qualified for limited exemption under Chapter 84.14 RCW, and which specific improvements completed meet the requirements of this chapter and the required findings of RCW 84.14.060, now or hereafter amended.

C. If the director determines that the project has been completed in accordance with the MFTE contract between the City and owner, and with subsection (a) of this section, the city shall file a final certificate of tax exemption with the assessor within ten days of the expiration of the thirty-day period provided under subsection (B) of this section.

D. The director shall notify the owner in writing that the city will not file a final certificate if the director determines that the project was not completed within the required three-year period or any approved extension or was not completed in accordance with subsection (B) of this section; or if the director determines that the owner's property is not otherwise qualified under this chapter or if the owner and the director cannot agree on the allocation of the value of the improvements allocated to the exempt portion of new construction and multiuse new construction.

E. Within thirty days of the date of notice of denial of final certificate, the owner may file a notice of appeal with the city clerk along with the appeal fee as established by ordinance specifying the factual and legal basis for the appeal. The appeal shall be heard by the city's hearing examiner pursuant to Section 4.52.115.

4.52.090 Exemption—Duration—Affordability Requirements—Limits

A. The value of new multifamily housing construction improvements qualifying under this chapter shall be exempt from ad valorem property taxation for 12 years following the calendar year of issuance of the Final Certificate as provided in RCW 84.14.020(1) as follows:

1. In the Downtown Bellevue, Eastgate Planning, Crossroads Village and Wilburton Residential Target Areas a minimum of 20 percent of all the units in

the Project shall be affordable units with affordable rents and rented to tenants whose household annual income is as follows:

a. Ten percent (10%) of the units are affordable units with affordable rents at or below sixty percent (60%) of King County median income; b. an additional ten percent (10%) of the units are affordable units with affordable rents at or below seventy percent (70%) of the King County median household income; and c. Any dwelling unit that is 300 square feet or less will be categorized as a very small dwelling unit. Any affordable unit that is a very small dwelling unit will be required to have an affordable rent at or below forty-five percent (45%) of median income.

2. In the Bel Red Residential Target Area a minimum of 20 percent of all the units in the Project shall be affordable units with affordable rents and rented to tenants whose household annual income is as follows:

   a. Ten percent (10%) of the units are affordable units with affordable rents at or below fifty percent (50%) of King County median income;

   b. An additional ten percent (10%) of the units are affordable units with affordable rents at or below seventy percent (70%) of the King County median household income; and

   c. Any dwelling unit that is 300 square feet or less will be categorized as a very small dwelling unit. Any affordable unit that is a very small dwelling unit will be required to have an affordable rent at or below forty-five percent (45%) of median income.

3. For any affordable units required in this section, the following shall apply:

   a. Affordable units shall have affordable rents as defined in Section 4.52.020(B). The mix and configuration of affordable units (e.g., very small dwelling unit, studio, one-bedroom, two-bedroom, etc.) at each affordability level shall be substantially proportional to the mix and configuration of the total housing units in the Project unless otherwise approved by the director.

   b. Affordable units will be reserved for occupancy by eligible households who certify that their household annual income does not exceed the applicable percent of the King County median income; and who certify that they meet all qualifications for eligibility, including any requirements for recertification on income eligibility as set forth in the MFTE covenant referenced in Section 4.52.040(E).

   c. When the Project contains more than one (1) building, all of the Affordable units required by this subsection A. may not be located in the same building. If, in calculating the number of affordable units, the number

contains a fraction, then the number of affordable units shall be rounded up to the next whole number.

B. The exemption does not apply to the value of land or to the value of improvements not qualifying under this chapter, to increases in assessed valuation of land and non-qualifying improvements, or to increases made by lawful order of the King County board of equalization, Washington State Department of Revenue, State Board of Tax Appeals, or King County, to a class of property throughout the county or a specific area of the county to achieve uniformity of assessment or appraisal as required by law.

4.52.100 Annual Certification

A. A property that receives a tax exemption under this chapter shall continue to comply with the MFTE contract and the requirements of this chapter in order to retain its property tax exemption.

B. Within thirty days after the first anniversary of the date the city filed the final certificate of tax exemption and each year for the tax exemption period, the property owner shall file a certification with the director, verified upon oath or affirmation, which shall contain such information as the director may deem necessary or useful, and shall include the following information:

1. A statement of occupancy and vacancy of the multifamily units during the previous year;

2. A certification that the property has not changed use since the date of filing of the final certificate of tax exemption, and continues to be in compliance with the MFTE contract with the city and the requirements of this chapter;

3. A description of any improvements or changes to the property made after the filing of the final certificate or last declaration, as applicable;

4. Information demonstrating the owner's compliance with the affordability requirements of Section 4.52.090;

5. The total monthly rent of each unit;

6. For the affordable rental units, the income of each household at the time of initial occupancy and their current income;

7. The value of the tax exemption for the project; and

8. Any additional information requested by the city in regard to the units receiving a tax exemption (pursuant to meeting any reporting requirements under Chapter 84.14 RCW).

4.52.110 – Cancellation of Exemption

A. The director may cancel the tax exemption if the property owner breaches any term of the MFTE contract or any part of this chapter. Reasons for cancellation include but are not limited to the following:

1. Failure to file the annual certification or filing a defective certification.

2. Violation of any applicable zoning requirements, land use regulations, or building and housing code requirements contained in Titles 21 and 23 of this code. Timely and cooperative resolution of the violation(s) may serve as a mitigating factor in the director's decision of whether to cancel the exemption.

3. Conversion of the multifamily housing to another use. The owner shall notify the director and the county assessor no less than sixty days of the intended change in use. Upon such change in use, the tax exemption shall be canceled pursuant to this section.

4. Non-compliance with 4.52.090 for affordable units. In the event an affordable unit is rented to a household other than an eligible household, or at a rental rate greater than prescribed in the MFTE covenant referenced in Section 4.52.040(E), the property tax exemption for the property shall be canceled pursuant to this section.

B. Upon cancellation of the exemption for any reason, the property owner shall be immediately liable for all taxes, interest and penalties pursuant to law. Upon determining that a tax exemption shall be canceled, the director shall notify the property owner by certified mail, return receipt requested. The property owner may appeal the determination by filing a notice of appeal with the city clerk along with the appeal fee established by ordinance within thirty days of the date of notice of cancellation, specifying the factual and legal basis for the appeal in writing. The appeal shall be heard by the hearing examiner pursuant to Section 4.52.115.

C. Failure to submit the annual declaration may result in cancellation of the tax exemption pursuant to this section.

4.52.115 Appeals to Hearing Examiner

A. Appeal. An Owner aggrieved by the director's denial of an application, final certification, or cancellation of an exemption, under this chapter shall have the right to appeal to the hearing examiner. Except as noted in paragraph B, the appeal shall be processed under Process II, LUC 20.35.200, et seq. Failure to follow the appeal procedures in this section and LUC 20.35.200 et. seq. shall preclude the Owner's right to appeal. For any appeal related to Section 4.52.060.C, the hearing examiner's decision on appeal is final.

B. Time and Place to Appeal. The written statement required under LUC 20.35.250. A.2, and the appeal notification form, and the appeal fee, if any, must be received by the City Clerk no later than 5:00 p.m. on the 30th day following the date on which the director's determination was mailed to the Owner.

C. Merger. When an appeal under this chapter is associated with a Land Use Permit application, the appeal will be heard with any appeal on the Land Use application as required under LUC 20.35.085. Any consolidated appeal will be processed in accordance with LUC 20.35.085.

D. Judicial review of hearing examiner decision. For appeals related to Sections 4.52.080.E and 4.52.110.B of this Chapter, the decision of the hearing examiner may be appealed to the superior court of King County by the appellant Owner or by the director by filing a proper request for a writ of review with the superior court. A request for a writ of review must be filed within 30 calendar days following the date that the decision of the hearing examiner was mailed to the parties. Review by the superior court shall be on, and shall be limited to, the record on appeal created before the hearing examiner.

4.52.120 Annual Reporting

A. If the city issues tax exemption certificates pursuant to this chapter, the director shall submit the report required by RCW 84.14.100 to the Department of Commerce by December 31st of each year.

B. Annually, beginning in 2016, the director or designee shall review the program established by this chapter and provide a report to the city council describing development activity, types and numbers of units produced and their locations, rent, information regarding the number of low and moderate income households benefiting from the program, and other appropriate factors. These reports may include recommendations on whether any residential targeted areas should be added or removed, whether affordability limits should be changed in certain areas. The annual report shall be submitted to the city council no later than March 30 of the following calendar year.

4.52.130 Expiration of Program

A. The program established by this chapter shall expire on December 31, 2019, unless extended by the City Council by ordinance. Upon expiration, no further applications under Section 4.52.050 shall be accepted. Incomplete applications shall be returned to the owner. Pending applications for a Conditional Certificate, extension of Conditional Certificate and Final Certificate shall be processed as provided in this chapter.

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4.52.140 Conflicts

If a conflict exists between the provisions of this chapter or between this chapter and the laws, regulations, codes or rules promulgated by other authority having jurisdiction within the city, the requirement that best advances the purposes set forth in Section 4.52.010 shall be applied, except when constrained by federal or state law, or where specifically provided otherwise in this chapter.

4.52.150 Severability

The provisions of this chapter are severable. If any provision of this chapter or its application to any person or circumstance is held invalid, the remainder of this chapter, and its application are not affected and will remain in full force and effect.

Section 3. If any section, subsection, paragraph, sentence, clause, or phrase of this ordinance is declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining parts of this ordinance.

Section 4. This ordinance shall take effect and be in force five (5) days after passage and legal publication.

Passed by the City Council this 15th day of June, 2015 and signed in authentication of its passage this 15th day of June, 2015.

(SEAL)

Claudia Balducci, Mayor

Approved as to form:

Lori M. Riordan, City Attorney

Darcie Durr, Assistant City Attorney

Attest:

Myrna L. Basich, City Clerk

Published 6-18-2015