

PROGRAM SUMMARY
MULTIFAMILY HOUSING PROPERTY TAX EXEMPTION PROGRAM
CITY OF BELLEVUE

This summary reviews all forms necessary to apply for the Conditional Certificate, Final Certificate, and Annual Certification for the Multifamily Housing Property Tax Exemption. For complete information on this tax exemption program, you may refer to Chapter 4.52 of the Bellevue City Code (BCC). If you have questions about this program, please contact Mike Stanger at A Regional Coalition for Housing (ARCH) 425 861-3677; or Janet Lewine at the City of Bellevue 425 452-4884.

I. Approval Process

A. The first formal step is to submit an application for a Conditional Certificate of Acceptance of Tax Exemption, prior to the date the building or other construction permit is issued.

- See “Application Checklist: Conditional Certificate” and “Application: Conditional Certificate”.

B. If the city’s Planning and Community Development Director approves the application and issues a Conditional Certificate, ARCH will prepare a contract between the city and the applicant, spelling out the terms for receiving a Final Certificate, including information on the required level of affordability.

C. Prior to receiving a Certificate of Occupancy, the applicant will be required to sign and record a Regulatory Agreement (also prepared by ARCH) as a covenant on the land, to ensure the provision of the required amount of affordable housing.

D. For the tax exemption to become effective a property owner must request a Final Certificate of Tax Exemption after issuance of a Certificate of Occupancy. Applicants are required to provide information as the city may find necessary or useful to evaluate eligibility.

- See “Application Checklist: Final Certificate” and “Application: Final Certificate”.

E. Property owners must file an annual certification for the duration of the tax exemption period. If the Regulatory Agreement requires affordability for a longer period than the tax exemption period—because the project also benefits from other incentives—the owner must continue annual certification until the Regulatory Agreement expires. Applicants are required to provide information as the city may find necessary or useful to evaluate eligibility.

- See “Annual Certification” form.

F. The property tax exemption does not apply to the value of land or to the value of improvements related to non-residential uses. The exemption only covers the value of new residential improvements included with the approved application.

II. Project Requirements.

- A. Located within the residential targeted areas designated under BCC 4.52.030.
- B. Consists of at least four (4) new multi-family dwelling units with a minimum of 50% of proposed multi-family residential or mixed-use space for permanent residential occupancy.
- C. No net loss of affordable housing units which receive housing assistance through federal housing programs (e.g. Section 8).
- D. Provides a prescribed amount of affordable housing. See BCC 4.52.090, summarized in the table below, for minimum requirements:

Residential Target Area	Minimum Affordability Required for 12-Year Tax Exemption
Downtown Bellevue, Eastgate Planning, Crossroads Village, and Wilburton	10% of units affordable at 60% (or less) of King County Median Income, and 10% affordable at 70% (or less) of median. Any unit 300 sq ft or smaller affordable at 45% (or less) of median.
Bel-Red	10% of units affordable at 50% (or less) of King County Median Income, and 10% affordable at 70% (or less) of median. Any unit 300 sq ft or smaller affordable at 45% (or less) of median.

- E. The mix and configuration of housing units (e.g., studio, one-bedroom, two-bedroom, etc.) used to meet the requirement for affordable units are substantially proportional to the mix and configuration of the total housing units in the project.
- F. Complies with all building codes, zoning codes and other applicable regulations.
- G. A tax exemption contract between the owner and the city agreeing to the conditions of the project.
- H. A regulatory agreement between the owner and the city recorded as a covenant on the property.
- I. Completed within three (3) years from the date of approval of the conditional certificate (unless an extension is approved by the city, see BCC 4.52.070).
- J. In the event of conflict between the forms used to apply for the tax exemption and any applicable law, including but not limited to Chapter 4.52 BCC and Chapter 84.14 RCW (state law), state law will control.