

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
Office of Housing	Jennifer LaBrecque/206-684-0354	Miguel Jimenez

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title:

A RESOLUTION calling for research, engagement and presentation of information to the Mayor and City Council on the Multifamily Tax Exemption (MFTE) program prior to considering renewal of the program in 2023.

Summary and background of the Legislation:

The MFTE Program exempts the residential portion of a building from property taxes for owners who income and rent restrict 20% or 25% of the units in newly constructed buildings. Currently, the tax exemption and unit restrictions expire after 12 years. State law establishes minimum program requirements and gives local municipalities discretion to adopt additional conditions. Seattle’s program has been in place since 1998 and has been renewed six times; income and rent levels for set-aside MFTE units have generally become lower over time; the current iteration of the MFTE program expires on December 31, 2023; renewal will be considered in 2023. .

The resolution outlines information and analysis of the following issues, which will be used to help inform MFTE discussions when renewal is considered in 2023:

- Affordable housing and other benefits;
- Racial equity and displacement impacts; and
- Labor equity.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes X No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

The resolution outlines data and analysis to help inform consideration of MFTE renewal in 2023. This legislation has no financial impacts, although the MFTE program itself does.

Is there financial cost or other impacts of *not* implementing the legislation?

No

4. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?**
No
- b. **Is a public hearing required for this legislation?**
No
- c. **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No
- d. **Does this legislation affect a piece of property?**
No
- e. **Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**

The legislation directs the Office of Housing to provide information and analysis, including labor equity and demographics of households served, inform consideration of MFTE renewal in 2023 and to ensure that if the program is renewed that it advances racial and social equity goals.

- f. **Climate Change Implications**
- 1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**
No
 - 2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**
No
- g. **If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**

N/A

List attachments/exhibits below: