



City of Seattle
Mayor Jenny A. Durkan

Honorable Bruce A. Harrell, President
Seattle City Council
City Hall, 2nd Floor
Seattle, WA 98199

July 24, 2019

Dear Council President Harrell:

I am pleased to transmit legislation renewing the Multifamily Tax Exemption (MFTE) Program, as authorized by 84.14 RCW, as an initial step of “Housing Seattle Now,” my plan for a surge of City investments in housing for low- and middle-income families.

The MFTE program provides affordable rent, typically hundreds of dollars lower than market rate, to over 4,400 low- and middle-income households in private apartment buildings in neighborhoods across Seattle. The MFTE program is expected to support another 1,300 new affordable homes by 2022, and renewing the program will help create even more. Overall, the program is performing well, as demonstrated by a healthy participation rate among the market-rate development community.

MFTE was adopted in 1998 and has been renewed four times. The current MFTE program expires on December 31, 2019. The proposed legislation would extend the program four years, through 2023. The maximum housing cost and income limits for the program remain the same, as well as the required set-aside of affordable units. The proposed Code changes include a housing cost and income limit moderator tied to area median income and affirmative marketing requirements. In addition, the proposed code revises the deadline for the initial MFTE application from prior to issuance of first building permit to 180 days prior to issuance of a temporary certificate of occupancy. The legislation primarily improves readability, clarifies requirements, and facilitates more streamlined program administration.

If you have any questions, please contact Jennifer LaBrecque, Interim Policy and Equitable Development Manager, Office of Housing, at (206) 684-0354.

Sincerely,

A handwritten signature in black ink that reads "Jenny A. Durkan". The signature is fluid and cursive, with a large initial "J" and "D".

Jenny A. Durkan
Mayor of Seattle

cc: Honorable Members of the Seattle City Council