

# MFTE COVID Related Extensions

Finance & Housing Committee

July 9, 2021



# Multi-Family Tax Exemption Program

- Provides a 12-year exemption in return for income and rent restrictions on 20% or 25% of units
- One of City's primary tools for creating income and rent restricted housing
- Currently over 5,000 units in market-rate buildings across the City



# Accommodating Time Sensitive & Required Updates to the RCW

Bifurcated strategy to accommodate changes locally:

- ***Ordinance #1***: Additional time to complete for projects impacted by COVID-19 (July)
- ***Ordinance #2***: Other time sensitive or required changes, including extension option (August)
- ***Resolution***: Address other program issues when Council considers program renewal (August)

# Proposed MFTE Ordinance: Additional Time to Complete

- Currently, projects have 5 years from time of application to receive Certificate of Occupancy
- Because of COVID-19, RCW now allows an additional 5 years for some projects to complete



# Proposed MFTE Ordinance: Additional Time to Complete

- Some projects can remain vested under older programs while receiving an additional 5 years to complete.
- Narrowly structured – must demonstrate delay due to COVID-19 plus other timing conditions
- Estimate at most a handful of projects will take advantage of it

# Questions?

