

MULTIFAMILY TAX EXEMPTION

BMC 3.78

RCW 84.14

- ❖ Established to help cities attract residential development
- ❖ Offers a limited exemption from ad valorem property taxes on the value of improvements only (not land)

Eligible Projects:

- ❖ Create at least 10 new multifamily housing units
- ❖ Are built within the Targeted Residential Area
- ❖ May be new or rehabilitated existing housing
- ❖ May not displace tenants
- ❖ If Mixed Use - designate at least 50% of the space for permanent residential occupancy

8 OR 12 YEAR EXEMPTION

8 YEAR

- If all the above criteria are met, the project is eligible for the 8 year exemption

12 YEAR

- Must meet criteria; in addition, 20% of the units must be affordable* for low- and moderate-income families

***Affordable** means rent \leq 30% of gross income

Adjusted Median Income (AMI)

Bremerton-Silverdale area = \$78,100*

Low Income

- Income at or below 80% of AMI

Moderate Income

- Income 80%-115% of AMI

*Adjusted for family size of four: \$78,100

Proposal: Expand Target Area

Existing MFTE Areas

- Downtown Regional Center
- Wheaton-Riddell District Center

Proposed MFTE Areas

- Wheaton/Sheridan District Center
- Eastside Employment Center
- Manette Neighborhood Center
- Charleston District Center
- Bay Vista Subarea

Multifamily Tax Exemption (MFTE) 2016 Proposed Expanded Area

