4.52.050 Application procedure – Fee.

A. The owner of property applying for exemption under this chapter shall submit an application to the director, or designee, on a form established by the director. The owner shall verify the application by oath or affirmation. The application shall contain such information as the director may deem necessary or useful, and shall include but not be limited to:

1. A brief written description of the project, including phasing if applicable, and preliminary schematic site and floor plans of the multifamily units and the structure(s) in which they are proposed to be located;

2. A statement from the owner acknowledging the potential tax liability when the property ceases to be eligible for exemption under this chapter; and

3. Information describing how the owner will comply with the affordability requirements in BCC 4.52.085, 4.52.090, and/or 4.52.091.

B. At the time of application under this section, the owner shall pay to the city an initial application fee as established by the city council. In addition, at the time of application under this section, the owner shall pay to the city a fee as set by King County to cover the county assessor's administrative costs. If the director approves the application pursuant to BCC 4.52.080, the City shall forward the fee for the county assessor. If the director denies the application pursuant to BCC 4.52.080, the city shall refund the fee for the assessor's administrative cost to the owner within 30 days of the director's decision, or, in the event the owner appeals the director's decision, within 30 days of the final decision of any appeal pursuant to the provisions of BCC 4.52.115.

C. The director shall notify the owner within 30 days of the application being filed if the director determines that an application is not complete and shall identify what additional information is required before the application will be complete. Within 30 days of receiving additional information, the director shall notify the owner in writing if the director determines that the application is still not complete, and what additional information is necessary. A determination of completeness does not preclude the director from requiring additional information during the review process if more information is needed to evaluate the application according to the criteria in this chapter.

D. The deadline for a complete application shall be no less than 60 days before the first building permit is issued under Title 23 BCC for the project. ~~The director may allow an exception to this section subject to the following criteria:~~

~~1. The project meets all other requirements established in BCC 4.52.040 for project eligibility;~~

~~2. Commitment by the applicant to submit a complete application no less than 60 days prior to issuance of occupancy for the project; and~~

3. ~~The application has substantial merit and value for the community as a whole.~~

E. The director may allow an exception to the timeline to receive an application as prescribed in subsection (D), subject to the following criteria:

1. With the exception of BCC 4.52.040(E), the project meets all other eligibility requirements under BCC 4.52.040;

2. The applicant submits a complete application and executes and records an MFTE Contract and MFTE Covenant, acceptable to the city attorney, no less than 60 days prior to issuance of occupancy for the project.

4.52.093 Requirements applicable to all exemptions.

For any affordable units required under this chapter, the following shall apply:

A. *Rents or Sale Price.* Affordable units shall have affordable rents as defined in BCC 4.52.020(B) or an affordable sale price as defined in BCC 4.52.020(C).

B. *Distribution of Units.* The designated affordable units shall be distributed throughout the project and intermingled with market-rate units consistent with LUC ~~20.20.128(A)(3)~~ LUC 20.15.060(B), or as otherwise amended.

C. *Mix of Units.* The designated affordable units shall consist of a mix of a number of bedrooms that is in the same proportion as the bedroom mix of market-rate units in the project consistent with LUC ~~20.20.128(A)(3)~~ 20.15.060(B), or as otherwise amended.

D. *Size of Units.* The designated affordable units shall be provided in a range of sizes comparable to the size of market-rate dwelling units in the project, consistent with LUC ~~20.20.128(A)(3)~~ 20.15.060(B).

E. *Materials and Finishings*. The materials, finishes, design, amenities, and appliances in designated affordable units must be substantially comparable to, and provide substantially the same functionality as, those in market-rate units, consistent with LUC ~~20.20.128(A)(3)~~ 20.15.060(B).

F. *Eligible Tenant Certification*. Affordable units will be reserved for occupancy by eligible households who certify that their household income does not exceed the applicable percentage of the King County median income; and who certify that they meet all qualifications for eligibility, including any requirements for recertification on income eligibility as set forth in the MFTE covenant referenced in BCC 4.52.040(E).

G. *Fractions in Unit Calculations*. When calculating the number of affordable units required for a tax exemption authorized under this chapter:

1. The number of affordable dwelling units shall not be less than one.

2. If the calculation results in a fractional number:

   a. If the fraction is one-half or greater, the number of affordable dwelling units shall be rounded up to the next higher whole number.

   b. If the fraction is less than one-half, the number of affordable dwelling units shall be rounded down to the next lower whole number; provided, that the result is not less than one.

H. *Limitation on Property Tax Exemption Valuations*. The exemption does not apply to the value of land or to the value of improvements not qualifying under this chapter, to increases in assessed valuation of land and nonqualifying improvements, or to increases made by lawful order of the King County board of equalization, Washington State Department of Revenue, State Board of Tax Appeals, or King County, to a class of property throughout the county or a specific area of the county to achieve uniformity of assessment or appraisal as required by law.

I. *Other Affordable Housing Incentive Program Coordination*. An eligible project may benefit from both the MFTE program and other incentive programs that seek to increase the quantity of affordable housing. When a project utilizes both the MFTE program and another incentive program, the project shall apply the MFTE benefit as follows:

1. *Overlap*. When a project overlaps the MFTE benefit with units that also receive incentives from another affordable housing program, and said units are used simultaneously to satisfy the requirements of both programs, the affordable rents for said units shall be at least 15 percentage points below the applicable King

County median income level, adjusted for household size, as prescribed in this chapter, provided this 15 percent reduction shall not apply to very small dwelling units described in BCC 4.52.090(A)(1). Thus, by example, when a project overlaps an MFTE unit as described in BCC 4.52.090 with another affordable housing program, said unit would have affordable rents at or below 65 percent of the King County median income, adjusted for household size; or

2. *No Overlap.* When a project does not overlap the MFTE benefit with units that also receive incentives from another affordable housing program, the affordable units required under this chapter shall be in addition to those that the project is required to designate under the other incentive programs.

3. *Illustration.*

[Insert Graphic]

Nothing in this chapter shall relieve a project of observing more restrictive criteria prescribed under another affordable housing incentive program.

4. *Exemptions.* This subsection I does not apply to projects receiving a tax exemption as follows:
   a. To projects receiving a tax exemption under BCC 4.52.085 ~~or~~;
   b. To projects receiving a tax exemption under BCC 4.52.091~~or,~~;
   c. To projects receiving a tax exemption under BCC 4.52.090 that are located within the Wilburton TOD area; and
   d. To projects receiving a tax exemption under BCC 4.52.090 that are in land use districts O, NB, CB, NMU, OLB, OLB2, MU8, MU16, F1, F3, EG-TOD as defined in LUC 20.10.020 until December 31, 2031.

~~J. To benefit from any tax exemption identified in this chapter, the project may not pay fees in lieu of any affordable housing requirements otherwise required under another affordable housing incentive program.~~

~~K.~~ J. Unless otherwise stated, nothing in this section shall relieve the owner of complying with the eligibility requirements in BCC 4.52.040.