



Multifamily Housing Property Tax Exemption Program

What is the Multifamily Housing Property Tax Exemption (MFTE) Program?

The MFTE Program is a voluntary affordable housing incentive for new apartment development. The MFTE provides a 12-year exemption from property taxes paid on the housing portion of qualifying projects in exchange for setting aside 20% of the units for income-eligible households.

Where can the MFTE be used?

Projects must be located in these targeted mixed-use residential areas (see map on back):

- Bel-Red
- Downtown
- Eastgate
- Crossroads Village
- Wilburton Commercial

Besides affordable housing, what other eligibility requirements must the project meet?

- Project is new construction, multifamily rental housing of at least 4 dwelling units.
- At least 50% of the new space is intended for permanent residential occupancy.
- At least 15% of the dwelling units have two or more bedrooms.
- The unit mix, configuration, quality and finishes of the affordable units are consistent with the project as a whole.
- Project does not result in loss of existing subsidized affordable housing.
- Project is completed within three years or an extension period approved by the director.

Tax Exemption

- Land and any non-residential component of the project (retail, commercial, office space, etc.) are not eligible for the exemption.
- The property tax exemption will remain in

place for a maximum of 12 years, provided the property remains in compliance with program requirements.

- The tax exemption is transferable to a new property owner as long as the new owner maintains compliance with program requirements.

Approval Process

- Application materials are submitted to Department of Planning & Community Development (PCD) prior to the issuance of first building permit. The application deadline may be extended if approved by the PCD Director.
- If approved, the city will issue a Conditional Certificate of Acceptance for Tax Exemption.
- A Regional Coalition for Housing (ARCH) staff will prepare a tax exemption contract and a regulatory agreement for execution by the project owner and the city manager.
- The regulatory agreement will be recorded as a covenant running with the land.
- When the housing units are ready for occupancy, an application is submitted to PCD for Final Certificate of Tax Exemption.
- If approved, the city will issue a Final Certificate to the King County Assessor, who will exempt the residential improvements from the taxable value of the property.

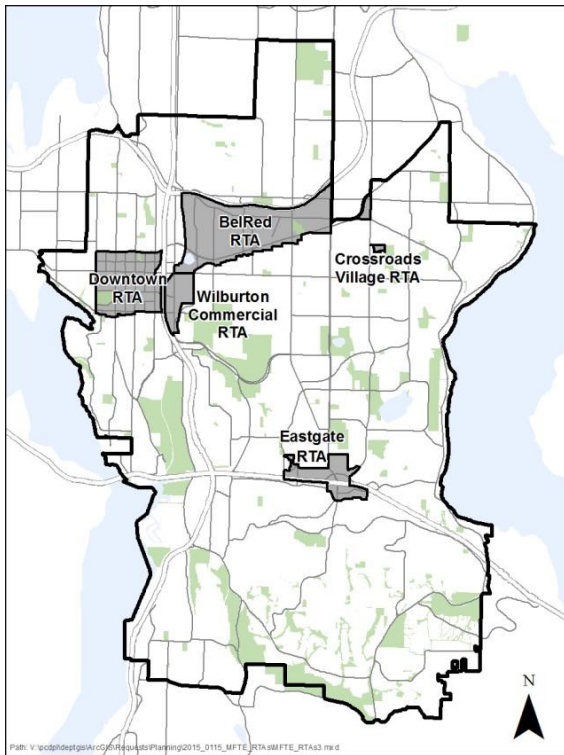
Annual Reporting

Affordable housing tenants must be able to certify their income eligibility at the time of initial occupancy, and annually thereafter.

MFTE Program Information

- Mike Stanger, ARCH
425 861-3677 mstanger@bellevuewa.gov
- Janet Lewine, Bellevue CD
425 452-4884 jlewine@bellevuewa.gov
- City of Bellevue MFTE webpage
[Bellevue Multifamily Property Tax Exemption](#)
- Ord. 6231 6/15/2015; amended Ord. 6400 02/05/18; Bellevue Code Chapter 4.52

Residential Target Area	Affordability
Eastgate Crossroads Village Wilburton Commercial	<ul style="list-style-type: none"> • 10% of all dwelling units in the project affordable to household incomes 60% or less of the King County median income, adjusted for household size; <u>and</u> • 10% affordable to household incomes 70% or less of the median. • Any unit of 300 sq. ft. or less must be affordable to household incomes 45% or less of the median.
Downtown	<ul style="list-style-type: none"> • 20% of all dwelling units in the project affordable to household incomes 70% or less of the King County median income, adjusted for household size. • Any unit of 300 sq. ft. or less must be affordable to household incomes 45% or less of the median.
Bel-Red	<ul style="list-style-type: none"> • 10% of all dwelling units in the project affordable to household incomes 50% or less of the King County median income, adjusted for household size; <u>and</u> • 10% affordable to household incomes 70% or less of the median. • Any unit of 300 sq. ft. or less must be affordable to household incomes 45% (or less) of the median.



2019 Annual Income Guidelines* and Monthly Rental Costs**

Bedrooms	Household Size	45% AMI		50% AMI		60% AMI		70% AMI		Utility Allowance
		Income	Rent	Income	Rent	Income	Rent	Income	Rent	
Studio	1 person	\$34,209	\$855	\$38,010	\$950	\$45,612	\$1,140	\$53,214	\$1,330	\$132
One	2 person	39,096	916	43,440	1,018	52,128	1,222	60,816	1,425	157
Two	3 person	43,983	1,100	48,870	1,222	58,644	1,466	68,418	1,710	192
Three	4 person	48,870	1,271	54,300	1,412	65,160	1,629	76,020	1,977	236

* Based on the King County/Seattle-Bellevue Metro Median Income (4 persons): \$108,600

** Rental cost includes rent, utilities, one required parking space and other required charges; Utility allowance (right column) includes Electricity & Gas, Water-Sewer-Garbage, and Renter's Insurance.