



## 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 Community Development (CD) prior to the issuance of first building permit. The application deadline may be extended if approved by the CD 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 CD 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.

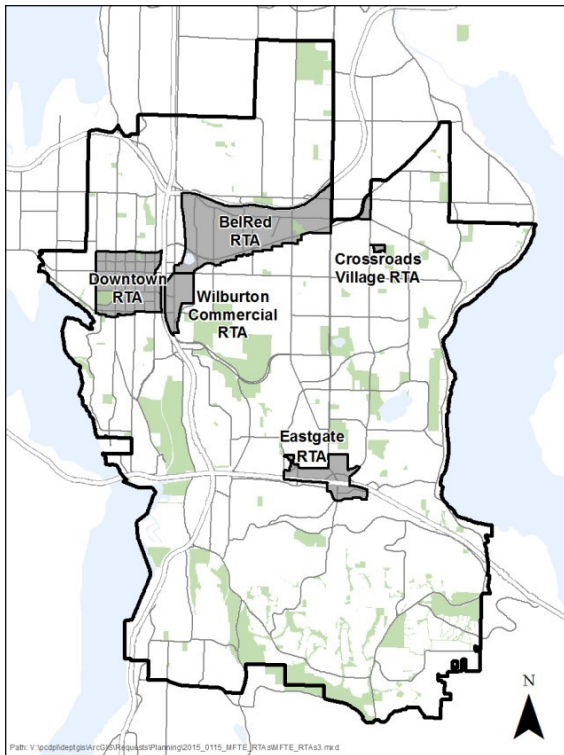
## Annual Reporting

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](mailto:mstanger@bellevuewa.gov)
- Janet Lewine, Bellevue CD  
425 452-4884 [jlewine@bellevuewa.gov](mailto: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"> <li>• 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></li> <li>• 10% affordable to household incomes 70% or less of the median.</li> <li>• Any unit of 300 sq. ft. or less must be affordable to household incomes 45% or less of the median.</li> </ul>
Downtown	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Any unit of 300 sq. ft. or less must be affordable to household incomes 45% or less of the median.</li> </ul>
Bel-Red	<ul style="list-style-type: none"> <li>• 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></li> <li>• 10% affordable to household incomes 70% or less of the median.</li> <li>• Any unit of 300 sq. ft. or less must be affordable to household incomes 45% (or less) of the median.</li> </ul>



### 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 and other required charges. Utility allowance (right column) includes Electricity & Gas, Water-Sewer-Garbage, and Renter's Insurance.