



Multifamily Property Tax Exemption

City of Tacoma | Community and Economic
Development Department

City Council Meeting

May 11, 2021

Resolution No. 40781



Overview



Family Size	Median Income	Median Income	Monthly Rental
		80%	Allowance 30% of Income*
1		\$50,900	\$1,273
2		\$58,150	\$1,454
3		\$65,400	\$1,635
4	\$91,100	\$72,650	\$1,816
5		\$78,500	\$1,963
6		\$84,300	\$2,108
7		\$90,100	\$2,253
8		\$95,900	\$2,398

Maximum Rental Rates		Utility Allowance**	
Unit Size			
Studio	\$1,273	\$147	
1-bedroom	\$1,454	\$155	
2-bedroom	\$1,635	\$188	

*Including sewer / water /electricity
**Set by Tacoma Housing Authority

Overview



- Resolution 40781
- 415 East 25th Street
- Downtown Regional Growth Center
- 115 units

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Overview



Number of units	Type of Unit	Average Size	Expected Rental Rate
	<u>Market Rate</u>		
76	One Bedroom, one bathroom	600	\$1,700
16	Two Bedroom, two bathroom	1100	\$2,500
	<u>Regulated Units</u>		
19	One Bedroom, one bathroom	600	\$1,454*including utilities
4	Two Bedroom, two bathroom	1100	\$1,635*including utilities

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Location



415 East 25th Street

City of Tacoma | Proposed Property Tax Exemption Project
415 E 25th St. - Parcel 2075210034



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Rendering



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Fiscal Implications



Taxes Generated	
Projected Total Sales Tax Generated for City	\$1,243,000
Projected Sales Tax Generated for City by construction	\$510,000
Total Projected Sales Tax Generated	\$1,753,000
Taxes Exempted	
Projected Total Taxes to be Exempt by City	\$1,280,000
Net Positive Impact	\$473,000

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