



Multifamily Property Tax Exemption

City of Tacoma | Community and Economic
Development Department

City Council Meeting

May 3, 2022

Resolution No. 40964 and 40965




Overview



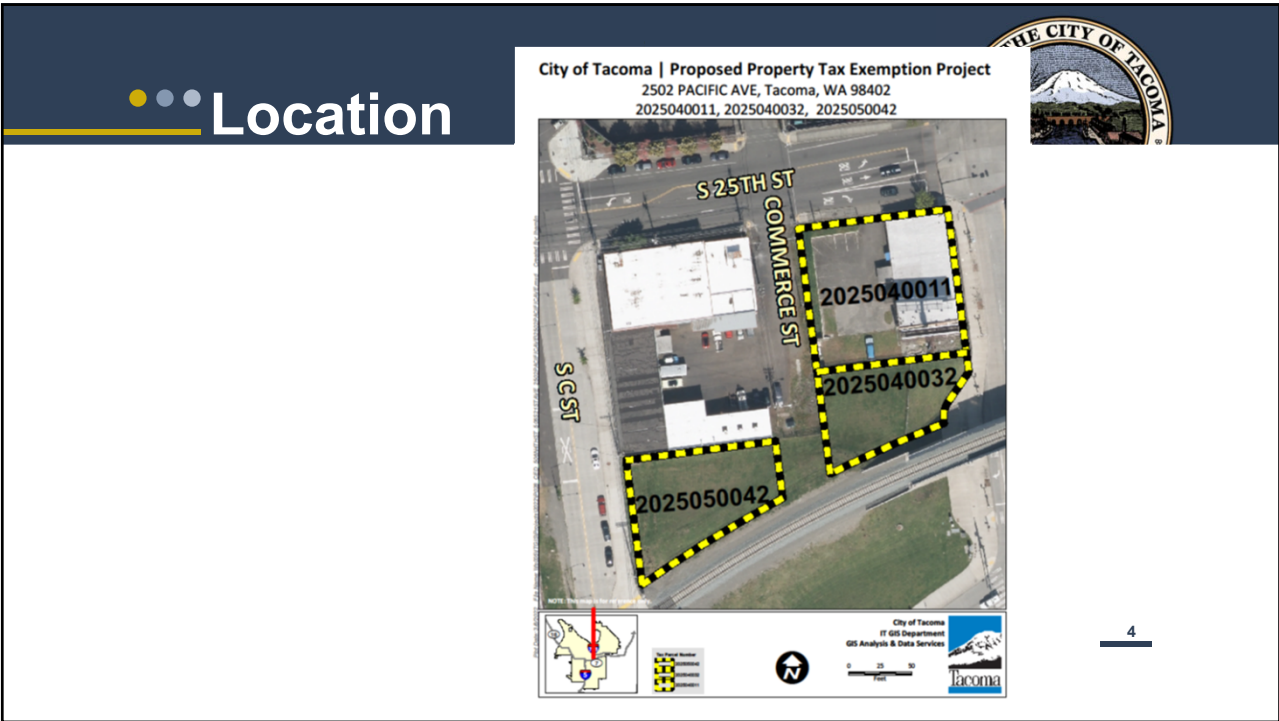
- Resolution 40964
- 12 year MFTE
- 2502 Pacific Avenue
- Downtown Regional Growth Center
- 199 Units

Overview



Number of units	Type of Unit	Average Size	Expected Rental Rate
Market Rate			
73	Studio	257	\$1300
75	1 Bed, 1 Bath	358	\$1500
11	2 Bed, 2 Bath	546	\$1725
Regulated Rate			
19	Studio	257	Up to \$1425 w/ utility
19	1 Bed, 1 Bath	358	Up to \$1629 w/ utility
2	2 Bed, 2 Bath	546	Up to \$1832 w/ utility

3



Fiscal Implications



Taxes Generated	
Projected Total Sales Tax Generated for City	\$2,152,000
Projected Sales Tax Generated for City by construction	\$416,000
Total Projected Sales Tax Generated	\$2,568,000
Taxes Exempted	
Projected Total Taxes to be Exempt by City	\$1,050,000
Net Positive Impact	\$1,518,000

5

Overview



- Resolution 40965
- 8 year MFTE
- 1301 Fawcett Avenue
- Downtown Regional Growth Center
- 277 Units

6

Overview

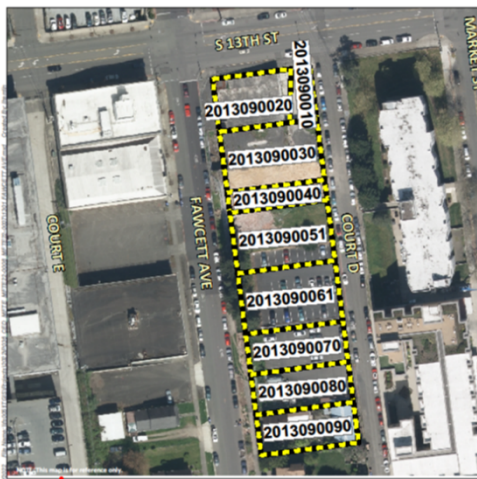


Number of units	Type of Unit	Average Size	Expected Rental Rate
	Market Rate		
58	Studio	587	\$1775
140	1 Bed, 1 Bath	711-1124	\$2000-2350
79	2 Bed, 2 Bath	1214	\$2875

Location

City of Tacoma | Proposed Property Tax Exemption Project

1301 FAWCETT AVE, Tacoma, WA 98402
 2013090020 2013090010 2013090030 2013090040
 2013090051 2013090061 2013090070 2013090080 2013090090



Fiscal Implications



Taxes Generated	
Projected Total Sales Tax Generated for City	\$2,004,000
Projected Sales Tax Generated for City by construction	\$1,100,000
Total Projected Sales Tax Generated	\$3,104,000
Taxes Exempted	
Projected Total Taxes to be Exempt by City	\$1,842,000
Net Positive Impact	\$1,262,000



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