



**TO:** T.C. Broadnax, City Manager  
**FROM:** Debbie Bingham, Economic Development Specialist, Community and Economic Development  
 Ricardo Noguera, Director, Community and Economic Development  
**COPY:** City Council and City Clerk  
**SUBJECT:** Request for resolution– August 2, 2016  
**DATE:** July 15, 2016

**SUMMARY:**

Authorizing the appropriate City officials to execute a 12 Year Multifamily Housing Property Tax Exemption Agreement with Calkins Enterprises, LLC for the development of 12 multifamily market-rate and affordable rental units at 4301 South Junett Street in the Tacoma Mall Mixed Use Center.

**STRATEGIC POLICY PRIORITY:**

This project will foster neighborhood, community, and economic development vitality and sustainability by providing 12 market rate and affordable housing units within a designated mixed use center.

**BACKGROUND:**

Calkins Enterprises, LLC, is proposing to develop 12 new market rate and affordable rental units in the Tacoma Mall mixed use Center as described in Exhibit “A” to the Resolution. The housing will consist of 12 units as described in the chart below.

Number of units	Type of Unit	Size	Expected Rental Rate
3	One bedroom, one bath	800 SQFT	\$800
6	Two bedroom, two bath	1400 SQFT	\$1200
3	Three bedroom, two bath	1800 SQFT	\$1450

The project will also include 19 stalls of parking. The Community and Economic Development Department has determined that the proposed project qualifies for the 12 year multi-family housing property tax exemption. Calkins Enterprises, LLC will enter into an agreement prepared by the City to develop the site as described in the plans on file with the City.

**ISSUE:**

This action would approve the tax exemption through the attached proposed agreement.

**ALTERNATIVES:**

If the resolution is not adopted, the tax exemption will not be granted and the developer has stated that the exemption is necessary to make the project feasible.

**RECOMMENDATION:**

Staff has reviewed the application and has determined that the proposed project qualifies for the 12 Year Multifamily Housing Property Tax Exemption. Staff recommends the Council approve the resolution.



**FISCAL IMPACT:**

The value of the land would continue to be taxed. The City's portion of the current tax for land is approximately \$185 annually. The City's portion of the tax to be exempted for the proposed structure is estimated at \$4,180 annually. The project will generate higher revenues for the City at the end of the twelve year agreement.