



# Multifamily Property Tax Exemption

City of Tacoma | Community and Economic  
Development Department

City Council Meeting

October 4, 2022

Resolution Nos. 41034, 41035 & 41036



1

## Overview




- Resolution 41034
- 7431 Pacific Avenue
- 40 Units
- Upper Pacific Avenue Mixed Use  
Center

2

2


# Overview




Number of units	Type of Unit	Average Size	Expected Rental Rate
<b><u>Market Rate</u></b>			
19	1 Bed, 1 Bath	555	\$1300
13	2 Bed, 1 Bath	847	\$1550
<b><u>Regulated Rate</u></b>			
5	1 Bed, 1 Bath	555	Up to \$1425 w/ utility allowance
3	2 Bed, 1 Bath	847	Up to \$1602 w/ utility allowance


3

# Location





City of Tacoma | Proposed Property Tax Exemption Project  
7431 Pacific Avenue  
7850000572





Tax Parcel Number  
7850000572

City of Tacoma  
IT GIS Department  
GIS Analysis & Data Services

4

## Fiscal Implications



<b>Taxes Generated</b>	
Projected Total Sales Tax <b>Generated</b> for City	\$432,500
Projected Sales Tax <b>Generated</b> for City by construction	\$106,600
<b>Total Projected Sales Tax Generated</b>	<b>\$539,100</b>
<b>Taxes Exempted</b>	
<b>Projected Total Taxes to be Exempt by City</b>	<b>\$269,700</b>
<b>Net Positive Impact</b>	<b>\$269,400</b>

5

5

## Overview




- Resolution 41035
- 201 East 25<sup>th</sup> Street
- 164 Units
- Downtown Regional Growth Center

6

6


# Overview




Number of units	Type of Unit	Average Size	Expected Rental Rate
<b><u>Market Rate</u></b>			
64	Studio	346	\$1372
37	1 Bed, 1 Bath	534	\$1823
21	2 Bed, 2 Bath	748	\$2013
9	3 Bed, 3 Bath	1153	\$2295
<b><u>Regulated Rate</u></b>			
17	Studio	346	\$1247 w/utility allowance
9	1 Bed, 1 Bath	534	\$1425 w/utility allowance
5	2 Bed, 2 Bath	748	\$1602 w/utility allowance
2	3 Bed, 3 Bath	1153	\$1782 w/utility allowance


7

# Location





City of Tacoma | Proposed Property Tax Exemption Project  
 201 E 25th St, Tacoma, WA 98421  
 2075170051





Tax Parcel Number  
2075170051

City of Tacoma  
IT GIS Department  
GIS Analysis & Data Services

8

## Fiscal Implications



<b>Taxes Generated</b>	
Projected Total Sales Tax <b>Generated</b> for City	\$1,773,000
Projected Sales Tax <b>Generated</b> for City by construction	\$403,000
<b>Total Projected Sales Tax Generated</b>	<b>\$2,176,000</b>
<b>Taxes Exempted</b>	
<b>Projected Total Taxes to be Exempt by City</b>	<b>\$1,020,000</b>
<b>Net Positive Impact</b>	<b>\$1,156,000</b>

9

9

## Overview




- Resolution 41036
- 209 E 26<sup>th</sup> Street
- 141 Units
- Downtown Regional Growth Center

10

10

# Overview




Number of units	Type of Unit	Average Size	Expected Rental Rate
	<u>Market Rate</u>		
20	1 Bed, 1 Bath	534	\$1495
62	2 Bed, 2 Bath	659	\$1995
2	3 Bed, 3 Bath	690	\$2495
28	3 Bed, 4 Bath	784	\$2995
	<u>Regulated Rate</u>		
7	1 Bed, 1 Bath	534	\$1425 w/utility allowance
15	2 Bed, 2 Bath	659	\$1602 w/utility allowance
7	3 Bed, 4 Bath	784	\$1782 w/utility allowance


11


11

# Location



City of Tacoma | Proposed Property Tax Exemption Project  
209 E 26TH ST, Tacoma, WA 98421  
2076170020, 2076170020, 2076170030, 2076170040, 2076170050







The Parcel Number

2076170020, 2076170030, 2076170040, 2076170050


City of Tacoma  
IT GIS Department  
GIS Analysis & Data Services

12

12


# Fiscal Implications



Taxes Generated	
Projected Total Sales Tax <b>Generated</b> for City	\$1,525,000
Projected Sales Tax <b>Generated</b> for City by construction	\$507,000
<b>Total Projected Sales Tax Generated</b>	<b>\$2,032,000</b>
Taxes Exempted	
<b>Projected Total Taxes to be Exempt by City</b>	<b>\$1,282,000</b>
<b>Net Positive Impact</b>	<b>\$750,000</b>

13

13



## Multifamily Property Tax Exemption

City of Tacoma | Community and Economic  
Development Department

**City Council Meeting**  
**October 4, 2022**  
**Resolution Nos. 41034, 41035 & 41036**

●

14