



Multifamily Property Tax Exemption

City of Tacoma | Community and Economic
Development Department

City Council Meeting
May 23, 2023
Resolutions 41201 & 41202



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Overview




- Resolution 41201
- 12 year MFTE
- 2522 Yakima Avenue
- Downtown Regional Growth Center
- 4 Units

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Overview




Number of units	Type of Unit	Average Size	Expected Rental Rate
<u>Market Rate</u>			
1	One Bed, One Bath	450 SQFT	\$1500
2	Two Bed, two Bath	1110 SQFT	\$1700
<u>Regulated Rate</u>			
1	One Bed, One Bath	450 SQFT	\$1425 including utility allowance


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Location



City of Tacoma | Proposed Property Tax Exemption Project
 2522 SOUTH YAKIMA AVE, Tacoma, WA 98405
 2025160072



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Fiscal Implications



Taxes Generated	
Projected Total Sales Tax Generated for City	\$47,000
Projected Sales Tax Generated for City by construction	\$9,100
Total Projected Sales Tax Generated	\$56,100
Taxes Exempted	
Projected Total Taxes to be Exempt by City	\$19,000
Net Positive Impact	\$37,100

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Overview



- Resolution 41202
- 12 year MFTE
- 2524 Yakima Avenue
- Downtown Regional Growth Center
- 8 Units

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Overview


Number of units	Type of Unit	Average Size	Expected Rental Rate
Market Rate			
3	One Bed, One Bath	450 SQFT	\$1500
3	Two Bed, Two Bath	1100 SQFT	\$1700
Regulated Rate			
1	One Bed, One Bath	450 SQFT	\$1425 (including utility allowance)
1	Two Bed, Two Bath	1100 SQFT	\$1603 (including utility allowance)

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Location

City of Tacoma | Proposed Property Tax Exemption Project
 2524 YAKIMA AVE, Tacoma, WA 98405
 2025160071

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Fiscal Implications

Taxes Generated	
Projected Total Sales Tax Generated for City	\$94,000
Projected Sales Tax Generated for City by construction	\$18,200
Total Projected Sales Tax Generated	\$112,200
Taxes Exempted	
Projected Total Taxes to be Exempt by City	\$38,000
Net Positive Impact	\$74,200

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