



TO: T.C. Broadnax, City Manager
FROM: Debbie Bingham, Program Development Specialist, Community and Economic Development Department
Ricardo Noguera, Community and Economic Development Department
COPY: City Council and City Clerk
SUBJECT: Ordinance– Amending Title 6A.110 Property Tax Exemptions for Multi-Family Housing Code- First Reading February 24, 2015
DATE: February 3, 2015

SUMMARY:

The Community and Economic Development Department is requesting approval of the proposed amendments of the Property Tax Exemptions for Multi-Family Housing Code, Tacoma Municipal Code 6A.110. Over the past several months staff has been working with various internal and external partners to update the some parts of the Property Tax Exemptions for Multi-Family Housing Code.

STRATEGIC POLICY PRIORITY:

- Foster neighborhood, community, and economic development vitality and sustainability.

BACKGROUND:

The Property Tax Exemptions for Multi-Family Housing Code was last updated in 2009. This update will allow staff to bring the code into better alignment with City priorities, State Code and to clarify the requirements regarding vacancy and displacement issues for occupied structures wanting to be rehabilitated or developed.

ISSUE:

The Property Tax Exemptions for Multi-Family Housing Code was adopted to encourage increased residential opportunities within mixed-use centers, stimulate new construction or rehabilitation of existing vacant and underutilized buildings for multifamily housing, to assist in directing future population growth to designated mixed-used centers and to achieve development densities which are more conducive to transit use in the designated mixed-use center. The proposed update makes changes which improve the code’s consistency with State code by removing the requirement for properties to sit vacant for six months before redevelopment may occur. The changes also ensure that displacement of existing tenants does not occur and that households that qualify as low-income are given help with moving expenses, should they be required to move. Staff did a comparison to the several other cities which use the Property Tax Exemption for Multi-family including, Seattle, Kent, Vancouver, Washington and Shoreline and Bremerton.

ALTERNATIVES:

If the code changes are not adopted, no changes will take place.

RECOMMENDATION:

Staff recommends Council adoption of the amendments to the Property Tax Exemptions for Multi-Family Housing Code as presented. The proposed changes have been reviewed by the Neighborhoods and Housing Committee and the code amendments as presented reflect input from the Committee.

FISCAL IMPACT:

There is no fiscal impact