MULTI-FAMILY HOUSING EIGHT-YEAR LIMITED PROPERTY TAX EXEMPTION AGREEMENT

THIS AGREEMENT is entered into this day, _____, by and between with 4315 S ALDER LLC, hereinafter referred to as the "Applicant," and the CITY OF TACOMA, a first-class- charter city hereinafter referred to as the "City."

WITNESSETH:

WHEREAS the City has an interest in stimulating new construction or rehabilitation of multi-family housing in Residential Target Areas in order to reduce development pressure on single-family residential neighborhoods, increase and improve housing opportunities, and encourage development densities supportive of transit use, and

WHEREAS the City has, pursuant to the authority granted to it by Chapter 84.14 of the Revised Code of Washington, designated various Residential Target Areas for the provision of an eight-year limited property tax exemption for new multifamily residential housing, and

WHEREAS the City has, through Ordinance No. 25789, enacted a program whereby property owners may qualify for a Final Certificate of Tax Exemption which certifies to the Pierce County Assessor-Treasurer that the owner is eligible to receive a limited property tax exemption, and

WHEREAS the Applicant is interested in receiving a eight-year limited property tax exemption to develop the project attached in exhibit A, and

WHEREAS the land and any commercial portions of the project will continue to produce tax revenues, and

WHEREAS the Applicant has submitted to the City preliminary site plans and floor plans for multi-family residential housing to be created on said property and described more on attached Exhibit A, and

WHEREAS the City has determined that the improvements will, if completed as proposed, satisfy the requirements for a eight-year Final Certificate of Tax Exemption;

NOW, THEREFORE, the City and the Applicant do mutually agree as follows:

1. The City agrees to issue the Applicant a Conditional Certificate of Acceptance of Tax Exemption.

2. The Applicant agrees to construct on the Site described in Exhibit A, a multi-family residential housing substantially as described in Exhibit A and in the application for Property Tax Exemption on file with the City as of the date of City Council approval of this Agreement. In no event shall such construction provide fewer than four new multi-family permanent residential units nor shall it provide fewer than half of its total residential units as permanent housing.

3. The Applicant agrees to complete construction of the agreed upon improvements within three years from the date the City issues the Conditional Certificate of Acceptance of Tax Exemption, or within any extension thereof granted by the City.

4. The Applicant agrees, upon completion of the improvements and upon issuance by the City of a temporary or permanent certificate of occupancy, to file with the City's Community and Economic Development Department the following:

(a) a statement of expenditures made with respect to each multi-family housing unit and the total expenditures made with respect to the entire property;

(b) a description of the completed work including unit type, size and rent and a statement of qualification for the exemption; and

(c) a statement that the work was completed within the required three year period or any authorized extension.

5. The City agrees, conditioned on the Applicant's successful completion of the improvements in accordance with the terms of this Agreement and on the Applicant's filing of the materials described in Paragraph 4 above, to file a eight-year Final Certificate of Tax Exemption with the Pierce County Assessor-Treasurer.

6. The Applicant agrees to file annually with the City's Community and Economic Development Department required documents indicating the following:

(a) a statement of occupancy and vacancy of the multi-family units during the previous year;

(b) rental rates data; and,

(c) a description of any subsequent improvements or changes to the property.

7. If the Applicant converts to another use any of the new multi-family residential housing units constructed under this Agreement, the Applicant shall notify the Pierce County Assessor-Treasurer and the City's Department of Community and Economic Development within 60 days of such change in use.

8. The Applicant agrees to notify the City promptly of any transfer of Applicant's ownership interest in the Site or in the improvements made to the Site under this Agreement.

9. Applicant shall comply with state and local laws regarding relocation assistance.

10. The Applicant agrees to keep the property in a nuisance free condition during both the temporary and final tax exemption periods.

11. The City reserves the right to cancel the eight-year Final Certificate of Tax Exemption should the Applicant, its successors and assigns, fail to comply with any of the terms and conditions of this Agreement.

12. No modifications of this Agreement shall be made unless mutually agreed upon by the parties in writing.

13. In the event that any term or clause of this Agreement conflicts with applicable law, such conflict shall not affect other terms of this Agreement which can be given effect without the conflicting term or clause, and to this end, the terms of this Agreement are declared to be severable.

14. This Agreement governs the property tax exemption for this property only and is not to be construed as approval of, or providing authority for, any other requirement under state or local law, including but not limited to building permits or variances.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

CITY OF TACOMA **4315 S ALDER ST LLC**

By: _____

_____
Elizabeth Pauli
City Manager

Countersigned:

_____
Pat Beard, Interim Director
Community & Economic Development Dept.

_____

Andrew Cherullo, Finance Department Director

Attest:

_____

Nicole Emery, City Clerk

Approved as to Form:

_____

Deputy City Attorney