

MULTIFAMILY HOUSING LIMITED PROPERTY
TAX EXEMPTION AGREEMENT
CONDITIONAL CERTIFICATE OF ACCEPTANCE OF TAX EXEMPTION

THIS AGREEMENT is entered into this _____ day of _____, 20____, by and between _____ (hereinafter referred to as the “applicant”), and the CITY OF LAKE STEVENS (hereinafter referred to as the “City”).

WITNESSETH:

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

WHEREAS, the City has, pursuant to the authority granted to it by RCW 84.14, designated the Residential Target Areas as qualifying for a limited property tax exemption for new multi-family residential housing: and;

WHEREAS, the City has, through Ordinance No. 1103, enacted a program whereby property owners may qualify for a Final Certificate of Tax Exemption, which certifies to the Snohomish County Assessor that the owner is eligible to receive a limited property tax exemption: and;

WHEREAS, the Applicant has made application for a limited _____ (8-year/12-year) property tax exemption for construction of _____ (number of units) multi-family units: and;

WHEREAS, the Applicant has executed a “City of Lake Stevens Multifamily Tax Exemption Housing Application”, a copy of which is made a part hereof and is attached as Exhibit “A”; and;

WHEREAS, the Applicant has submitted to the City preliminary site plans and floor plans for new and/or remodeled multifamily residential housing to be constructed on property located within a Residential Target Area at _____ (project address) and described more specifically as set forth in the legal description in Exhibit “B” attached hereto and made a part hereof (hereinafter referred to as the “Site”); and;

WHEREAS, the City has determined that the improvements will, if completed as proposed, satisfy the requirements for a Conditional Certificate of Acceptance of Tax Exemption and has issued its approval of said application as set forth in Exhibit “A”.

NOW, THEREFORE, the City and the Applicant 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 multifamily residential housing as described in the Multifamily Tax Exemption Application _____ (application or permit number), on file with the City. Any changes in the building design must be approved by the Planning Director or their designee. If the Director determines that the proposed changes are substantial, the tax exemption certification may be withdrawn, and a new tax exemption review may be required by the City.

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 an extension subsequently 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 Planning and Community Development Department the following:
 - a. A statement of expenditures made with respect to each multifamily housing unit and the total expenditures made with respect to the entire property;
 - b. A description of the completed work and a statement of qualifications for the exemptions, including the affordable housing requirements as described in RCW 84.14.020, and;
 - c. A statement that the work was completed within the required three-year period or any authorized extension.
5. The City agrees, as conditioned upon the Applicant's successful completion of the improvements in accordance with the terms of this Agreement and upon the Applicant's filing of the materials with the city as described in Paragraph 4 above, to file a Final Certificate of Tax Exemption with the Snohomish County Assessor.
6. The Applicant agrees, within 30 days following the first anniversary of the City's filing of the Final Certificate of the Tax Exemption, and each year thereafter for a period of _____ (8-years/12-years), to file a notarized declaration with the City's Department of Planning and Community Development indicating the following:
 - a. A statement of occupancy and vacancy of the multifamily units;
 - b. A certification that the property continues to be in compliance with this Agreement;
 - c. That the property is in compliance with the affordable housing requirements of RCW 84.14.020: and;
 - d. A description of any subsequent improvements or changes to the property.
7. If the Applicant converts any of the new multifamily residential housing units constructed under this Agreement to another use, the Applicant shall notify the Snohomish County Assessor and the City's Planning and Community Development Department.
8. The Applicant agrees to notify the City promptly of any transfer of the Applicant's ownership interest in the Site or in the improvements made to the Site under this Agreement.
9. The City reserves the right to cancel the 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.
10. No modifications of this Agreement shall be made unless mutually agreed upon by the parties in writing.
11. In the event that any terms or clauses 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.

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

CITY OF LAKE STEVENS

Applicant Signature

Brett Gailey, Mayor

By: (Print Name)

APPROVED;

Russ Wright, Planning and Community Development Director

ATTEST:

APPROVED AS TO FORM:

Kelly Chelin, City Clerk

Greg Rubstello, City Attorney

STATE OF WASHINGTON)
)ss.
COUNTY OF SNOHOMISH)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the _____ of _____ to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this ____ day of _____, 20__.

(Legibly print name of notary)
NOTARY PUBLIC in and for the State of
Washington, residing at _____
My commission expires _____

DATED this ____ day of _____, 20__.

Exhibit A

Copy of approved City of Lake Stevens Multifamily Tax Exemption Housing Application

Exhibit B

Property Legal Description