



Staff Report

File #: 24-102

Version: 1

Date: 3/25/2024

Item #: 3.2b.

TO: Mayor and City Council

THROUGH: Keith Stahley, City Manager

FROM: Kristin Retherford, Community Planning and Development Director

SUBJECT:

Approving Resolution 2024-14, an initial property tax exemption for a non-profit, low-income housing owner in accordance with SRC 2.850 to 2.910.

Ward(s): Ward 1

Councilor(s): Stapleton

Neighborhood(s): Highland Neighborhood Association

Result Area(s): Welcoming and Livable Community

SUMMARY:

Micronesian Islander Community, a verified non-profit property owner, applied for pre-development tax exemption on four (4) tax lots at 2210-2230 Commercial Street NE. The application states the owner's intention to build 41 units that meet the definition of low-income (60% AMI) in the SRC. A pre-development exemption is valid for up to three years. Council grants initial applications with recertification authority for up to 10 years delegated to the Department Director as long as the property meets exemption criteria.

ISSUE:

Shall City Council adopt Resolution 2024-14, approving the initial application for property tax exemption to Micronesian Islander Community in accordance with SRC 2.850-2.910?

RECOMMENDATION:

Adopt Resolution 2024-14, approving the initial application for property tax exemption to Micronesian Islander Community in accordance with SRC 2.850-2.910.

FACTS AND FINDINGS:

The 4 lots are located on the northeast corner of Commercial Street NE and Grove Street NE. They total approximately .62 acres and the City will forfeit about \$1,790 in annual tax revenue based on the lots' pre-development assessments. Once the \$20.7M project is built the exemption is valued at \$68,350.

BACKGROUND:

The Non-Profit Low Income Housing Tax Exemption program was initially created with Ordinance No. 29-17 in January 2018. Approval of this application will make a total of seven (7) non-profit owners, representing 13 developed or pre-development projects, and 400 current units.

Michael Brown
Financial Services Manager, Community Planning and

Development

Attachments:

1. Resolution No. 2024-14
2. Micronesian Islander Community Application