



**CITY OF PORT ANGELES**  
**MULTI-FAMILY PROPERTY TAX EXEMPTION (MFTE)**  
**FREQUENTLY ASKED QUESTIONS (FAQ)**

**1. WHAT IS MULTI-FAMILY PROPERTY TAX EXEMPTION (MFTE)?**

MFTE programs are property tax waiver programs enacted by cities and counties to support local housing goals. Under Chapter 84.14 RCW, local governments can give exemptions for new construction, conversion, and rehabilitation of multifamily residential improvements with at least four units. Under these exemptions, a property owner does not pay property taxes on residential improvements for a given number of years. The property owner still pays tax on the land and on non-residential improvements like the commercial portion of a mixed-use building.

**2. WHAT ARE THE BENEFITS OF MFTE?**

**Promotes Housing Development:** Incentivizes multi-family development and affordable housing.

**Reduces Development Barriers:** Reduces barrier to entry for new development by reducing costs through property tax exemption.

**3. WHAT TYPES OF MFTE PROGRAMS ARE AVAILABLE?**

**8-Year:** There are income restrictions for affordable housing.

**12-Year:** requires at least 20% of housing units be reserved for low - and moderate-income households. Under the statute, household income is based on Area Median Income (AMI), with households with incomes at 80% of AMI or less considered “low income”, and households at 115% of AMI or lower “moderate income”. This MFTE is used for providing affordable rental housing options, including choices in market-rate private housing projects.

**20-Year:** requires that 25% of units be reserved for affordable housing for households at 80% AMI or below, with a nonprofit or government agency sponsoring the sale and restrictions in place for resale to ensure long-term affordability.

**4. WHAT IS A MFTE CERTIFICATE?**

If an application is conditionally approved, the applicant shall enter into a contract with the City regarding the terms and conditions of the project as provided in Port Angeles Municipal Code (PAMC) 17.47.040.A.9. The Director shall issue a conditional certificate of acceptance of tax exemption. If a project is not completed within three years, the conditional certificate expires unless an extension is granted as provided in this chapter.

**Conditional Certificate:** The conditional certificate is a temporary agreement between the City of Port Angeles and the multi-family developer to exempt taxes for residential improvements upon the completion of construction. The conditional certificate expires three years from the date of approval unless an extension is granted as provided in PAMC [17.46.060](#).

**Final Certificate:** The final certificate process is codified in the PAMC [17.46.070](#).



**CITY OF PORT ANGELES**  
**MULTI-FAMILY PROPERTY TAX EXEMPTION (MFTPE)**  
**FREQUENTLY ASKED QUESTIONS (FAQ)**

---

**5. HOW DO I APPLY?**

- A. Potential applicants can visit the CED website and download the MFTPE application.
- B. The MFTPE application must be completed and include all other required documents and be submitted to [ced@cityofpa.us](mailto:ced@cityofpa.us)
- C. The Director will notify the applicant within 30 days of the application being filed if the Director determines that an application is not complete and shall identify what additional information is required before the application will be determined complete.
- D. A decision to approve or deny an application shall be made within 90 days of receipt of a complete application.

For further description please reference the application process codified in the PAMC [17.46.050](#).

**6. I STILL HAVE QUESTIONS. WHO CAN I CONTACT FOR MORE INFORMATION?**

Please email the City's Housing Administrator at [ewalker@cityofpa.us](mailto:ewalker@cityofpa.us).  
You can also schedule an appointment with a planner by calling (360) 417-4750 or visiting our website: [www.cityofpa.us/BookAMeeting](http://www.cityofpa.us/BookAMeeting).