



FOR IMMEDIATE RELEASE:

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King County Assessor Candidate John Wilson Announces Affordable Housing Plan for King County

SEATTLE - King County Assessor Candidate John Wilson has a plan to create thousands of affordable housing units from existing rental properties.

Wilson's plan does not require the construction or rehabilitation of new units, and is aimed at preserving existing affordable housing while also creating new affordable housing quickly.

"We need new affordable housing in King County as soon as possible and we need to prevent existing affordable housing from being lost. If elected King County Assessor, I will be committed to getting to work on affordable housing solutions immediately. The King County Assessor can play a significant role in the affordable housing discussion, and I will work with all interested parties on solutions," said Wilson.

Wilson's Affordable Housing Tax Exemption (AHTE) program would create a new category of property tax exemption for owners of affordable rental properties, whether small apartment buildings or auxiliary dwelling units (ADU's) within a single family home. Wilson's AHTE is similar to a recommendation included in the July 2015 HALA Report to the City of Seattle.

AHTE would be different but complimentary to the existing Multi-Family Tax Exemption (MFTE) program in Seattle and other cities. The MFTE is aimed at spurring new construction or rehabilitation projects related to multi-family housing. These projects must have a portion of the units set aside as affordable to qualify for MFTE.

Wilson Affordable Housing Proposal - 2

Wilson's AHTE program would encourage property owners through a new property tax incentive to make their EXISTING units affordable. New construction or rehabilitation would not be required, allowing affordable housing units to come on-line much quicker and at a lower cost to property owners. AHTE would also offer incentives to landlords to keep existing units affordable and not redevelop them into high-rent units. Currently, there are added incentives to maintain the quality and condition of the rental property investment. If landlords have at least a ten-year horizon to maintain the exemption, it becomes cost effective to invest in maintenance, energy efficiencies, upkeep, and other upgrades.

"AHTE would work together with MFTE and other programs to make a significant contribution to solving the affordable housing problem in Seattle and other areas in King County," added Wilson.

State law would be changed to make AHTE a Local-Option Affordable Housing Exemption, meaning counties and cities could enact the legislation in their jurisdictions, but would not be forced to.

"AHTE would work like other property tax exemption programs administered by County Assessors statewide to avoid confusion for property owners and make implementation as efficient as possible for assessors," said Wilson.

Exemption Qualifications would be similar to MFTE, and could use the same definition of affordable housing. Rents would be set so a renter making 75 percent or less of the median income is paying no more than 30 percent of their net income for housing.

Like other exemption programs, County Assessors would continue to value property in the AHTE program at market rates, then apply the tax exemption to provide the property tax benefit to the property owner. Property owners could receive as much as a 60 percent reduction of their property tax obligation for making new or preserving existing affordable housing. Wilson estimated, in Seattle for example, that if 2,000 AHTE units were added annually, it would cost the typical taxpayer about another \$10/year in property taxes.

Property entered into the AHTE program must stay in the program for at least 10 years or a penalty would be applied when the property is taken out of the program. The penalty would be repayment of all taxes that would have otherwise been owed, plus a 15 percent penalty.

"My proposed program offers relief for low-income residents, who continue to feel the pinch of our local housing market. Unfortunately, the King County Assessor's Office has done very little in terms of viable programs to assist renters and low-income individuals. I recognize their pain points, and am committed to implementing this program to help all citizens of King County."

For more information, visit <http://www.wilson4assessor.com/>

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