

SPECIAL VALUATION TAX PROGRAM CITY OF LAKEWOOD

The City of Lakewood offers an incentive for care of historic buildings. Property tax relief is potentially available to property owners who substantially invest in repair and rehabilitation of a designated historic property. The Washington Special Valuation Tax program provides a reduction in property taxes for a period of ten years. It has been successfully used by municipalities throughout the state since 1986 to encourage repair and reuse of commercial, residential, and public buildings.

What kind of properties qualify?

- The property must be recognized as a Lakewood Landmark by listing with the Preservation and Review Advisory Board.
- Rehabilitation must take place within a period of two years/24 months
- Rehabilitation must be substantial. The threshold amount is 25% of the assessed value of the building before the work is started.
- Rehabilitation must keep the historic character of the building. Technical assistance is available.

What costs are eligible?

- Actual construction costs, but not in-kind labor or donated materials.
- Design and engineering fees.
- System improvements, such as heating or wiring.
- Work on the historic building itself, but not landscaping or additions.

What is the property tax reduction?

- The amount of investment is subtracted from the tax assessor's valuation of the property. Tax is billed on the resulting reduced amount.
- The reduction continues for a period of ten years, after which the property re-enters the tax rolls at full value.

For further information on financial incentives, call the City of Lakewood Community Development Department at (253)512-2261