

PROPERTY VALUES IN THE STATION SUBAREA



How will Property Values be Affected by Being in the Station Subarea?

Benefits of Proximity to New High Capacity Transit Stations

- Analysis from more than twenty (20) reputable studies of property values near high capacity transit and TOD generally rise in value, from 0% to 32%, the closer they are to the stations (for all land use types—commercial, mixed use, employment, residential, etc.).
- Positive value effects are from rezoning as well as proximity to high capacity transit.
- A negative effect on value is not anticipated for the station subarea.
- For homeowners, the most typical effect is a 5% to 10% increase in value within ½ mile of the station. However, exact potential increases in value are difficult to predict.
- This is a one-time increase that is an addition to homeowner equity.
- It is important to remember that property values are affected by a wide range of factors, including other adjacent land uses, the size and condition of the property and structures, zoning, overall economic conditions, etc.
- It is expected that increased value related to redevelopment potential will be less for single family properties that would need to be aggregated with other properties to create a sufficiently-sized parcel for redevelopment.

- Improved connectivity throughout the region (82% of Shoreline residents who work commute to jobs in other communities)
- Convenience of access to jobs, school, shopping, etc.
- Lower household transportation costs for those who use high capacity transit
- Creating of gathering and destination places near high capacity transit
- Increased public and private investment and market opportunities
- Improved business patronage

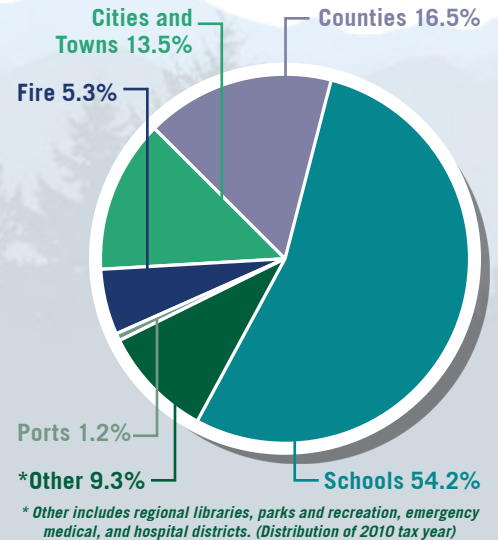




How will Increases in Property Values Affect Property Taxes?

- Assessors typically revalue properties once a year in King County and a physical inspection is required at least once every six years.
- Property taxes can be increased based on increased changes in property value, but in Washington State there are property tax levy limitations that restrict the amount property taxes can be increased. For example, Washington State's constitution limits the regular (non-voted) combined property tax rate that applies to an individual's property to one percent of market value (\$10 per \$1,000). Voter approved special levies, such as special levies for schools or parks, are in addition to this amount.
- Senior citizens, veterans with 100 percent service-connected disability, and people with disabilities on limited incomes are eligible for exemption from paying some property taxes depending on their income levels. This program freezes the value of residential property as of January 1 of the initial year of application, exempts all excess levies, and may exempt a portion of regular levies thereby reducing the amount of property taxes due (as authorized by the County Assessor). More information is available at: <http://dor.wa.gov/content/FindTaxesAndRates/PropertyTax/>
- Churches, government entities, and many nonprofit agencies are exempt from property tax if they use property for tax-exempt purposes, as determined by the Department of Revenue.
- Tax rate adjustments will affect annual property taxes. In a strong market, property values go up everywhere, tax rate adjustments downward can minimize the tax impact. In a flat market with little adjustment, increases in value related to proximity to high capacity transit and transit-oriented development may lead to additional property taxes.
- Exact potential increases in property taxes are difficult to predict due to legal limitations for various property owners and many other factors.

What do Property Taxes Pay for?



How property taxes are spent varies by location, but statewide in 2010, approximately 54.2 percent were used to finance schools, 16.5 percent went to general county government and roads, 13.5 percent went to cities, city related services, and local capital improvements, 5.3 percent went to fire districts, 1.2% went to ports, and 9.3% went to other facilities and taxing districts, such as regional libraries, emergency medical, parks and recreation, etc.



DO YOU HAVE QUESTIONS OR NEED MORE INFORMATION?



Visit the City of Shoreline webpage devoted to station area planning:

www.shorelinewa.gov/lichtrail

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