

# Discussion of Ordinance No. 717 Transportation Impact Fee (TIF) Amendment for Certain Businesses

Shoreline City Council

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# Working Assumptions

- Exemption program should be considered
- Businesses contributed \$200,000 in 2015
- City will replace value of exempted TIF

# Format

1. Which businesses are eligible?
2. What percentage should be exempted?
3. Limit program with sunset and/or cap?
4. How should exempted TIF be replaced?

# 1. Which businesses are eligible?

## Problematic methods

1. Size of occupied space
2. Number of employees
3. Revenues
4. Investment in tenant improvements
5. Whether existing space or new construction
6. A single location
7. Vision 2029 qualities
8. Peak Hour Trip generation

# 1. Which businesses are eligible?

Staff recommended method:

Designate eligible businesses by Institute of Transportation Engineers (ITE) Codes

# 1. Which businesses are eligible?

ITE Codes specify trips generated by use

Trips generated by applicant X Cost per trip = TIF

TIF - Credit from previous use = Due at permit

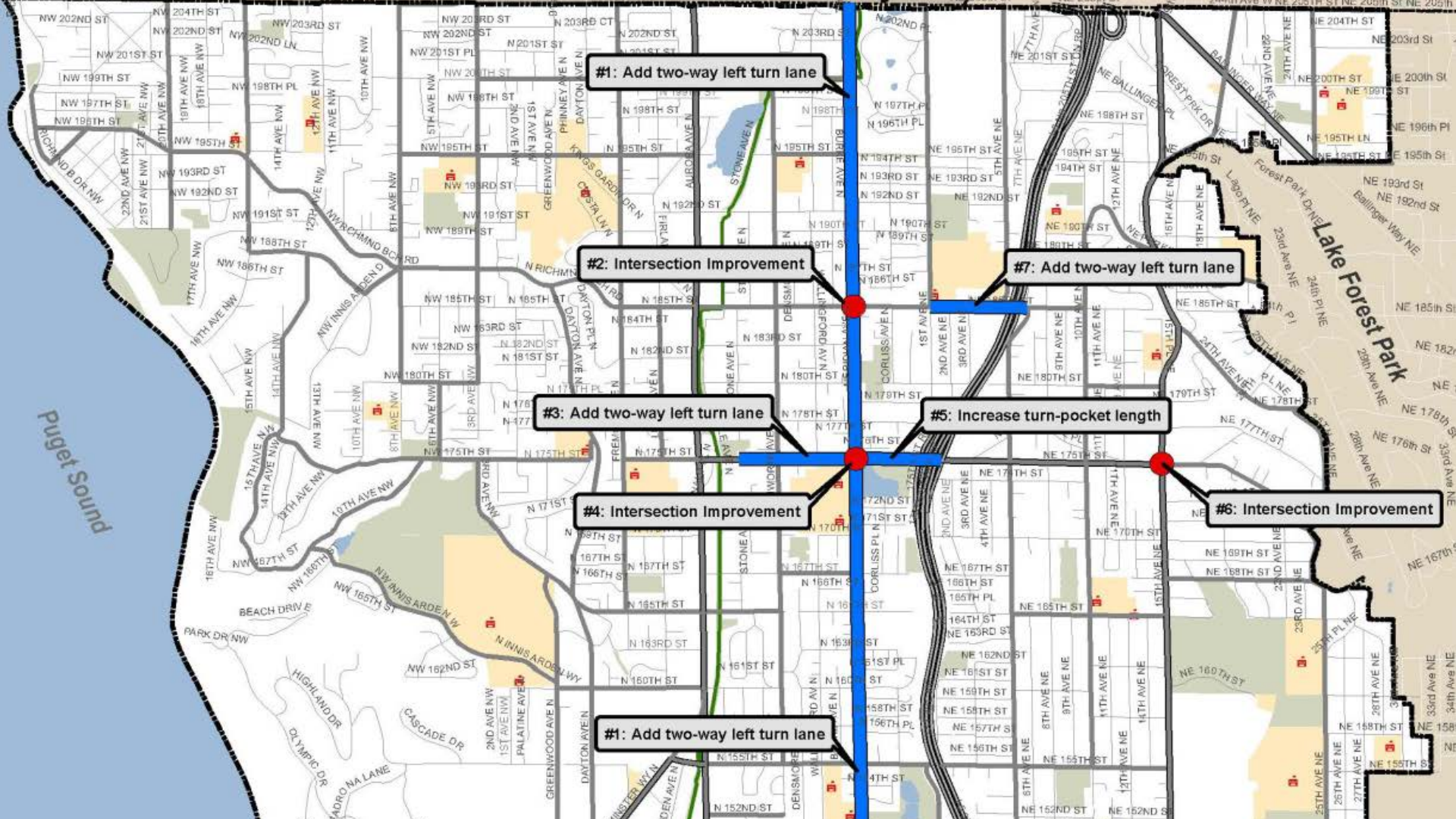
ITE Code	Land Use Category/Description	Impact Fee Per Unit @ \$6,124.77 per Trip	
90	Park-and-ride lot w/ bus svc	2,848.02	per parking space
110	Light industrial	7.78	per square foot
140	Manufacturing	5.86	per square foot
151	Mini-warehouse	2.09	per square foot
210	Single family house (includes townhouse and duplex)	5,567.41	per dwelling unit
220	Apartment (includes accessory dwelling unit)	3,607.49	per dwelling unit
230	Condominium	3,662.61	per dwelling unit
240	Mobile home park	2,601.80	per dwelling unit
251	Senior housing	1,190.65	per dwelling unit
255	Continuing care retirement	1,776.18	per dwelling unit
310	Hotel	3,722.02	per room
320	Motel	2,965.00	per room
444	Movie theater	11.67	per square foot
492	Health/fitness club	15.37	per square foot
530	School (public or private)	4.52	per square foot
540	Junior/community college	11.82	per square foot
560	Church	3.04	per square foot
565	Day care center	29.19	per square foot
590	Library	14.75	per square foot
610	Hospital	7.15	per square foot
710	General office	10.76	per square foot
720	Medical office	19.55	per square foot
731	State motor vehicles dept	94.21	per square foot
732	United States post office	22.48	per square foot
820	General retail and personal services (includes shopping center)	8.14	per square foot
841	Car sales	14.97	per square foot
850	Supermarket	22.23	per square foot

# Rate Table

## From Ordinance No. 690

### Exhibit B

ITE Code	Land Use Category/Description	Impact Fee Per Unit @ \$6,124.77 per Trip	
851	Convenience market-24 hr	41.31	per square foot
854	Discount supermarket	22.67	per square foot
880	Pharmacy/drugstore	13.09	per square foot
912	Bank	31.85	per square foot
932	Restaurant: sit-down	22.97	per square foot
934	Fast food	52.85	per square foot
937	Coffee/donut shop	67.05	per square foot
941	Quick lube shop	23,840.66	per service bay
944	Gas station	21,679.38	per pump
948	Automated car wash	46.34	per square foot





# 1. Which businesses are eligible?

Staff recommends limiting exemptions to only those ITE Codes likely to fulfill Vision 2029 goals

*Unique products and services*  
*Entertainment and dining options*  
*Neighborhood gathering places*  
*Family-wage jobs*

# 1. Which businesses are eligible?

## List from Staff Report

- 820 General retail and personal services
- 932 Restaurant: sit-down
- 934 Fast Food
- 937 Coffee/donut shop

# 1. Which businesses are eligible?

## Broader alternative list

310	Hotel
444	Movie theater
492	Health/fitness club
710	General office
820	General retail and personal services
850	Supermarket
932	Restaurant: sit-down
934	Fast Food*
937	Coffee/donut shop*

*\* Could limit further to businesses without drive through windows*

# 1. Which businesses are eligible?

- All Businesses?
- List from Staff Report?
- Alternative List?

## 2. What percentage should be exempted?

- Not recommending adjusting 97% ratio used in TIF rate study
- “Exemption” used for any discount from 1% to 100%
- Council asked to specify exemption threshold in terms of percentage

### 3. Limit program with a sunset and/or cap?

Staff recommends:

- Sunset of December 31, 2018
- Cap of \$600,000

## 4. How should exempted TIF be replaced?

Staff recommends Council answer this question as part of its scheduled Ten Year Financial Sustainability discussion on:

- Possible increased vehicle license fee
- Possible business and occupation tax

# Next step

Staff to return on March 14 with  
Ord. No. 717 modified as directed by Council





# Thank you

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