From: Kelly Geubtner

To: Shari Winstead: Keith Scully; Will Hall; Keith McGlashan; Chris Roberts; Doris McConnell; Jesse Salomon

Cc: <u>Dan Eernissee</u>

Subject: TIF

Date: Friday, March 11, 2016 8:29:49 AM

Dear Council Members and Mr. Eernissee,

First, I would like to thank you for taking the time to reevaluate the transportation impact fee (TIF) in its current form. The recognition that changes must be made to the TIF to promote new business growth in Shoreline is paramount to the economic prosperity of our city.

I am writing to make an argument in support of a 100% exemption of the TIF for a set period of time or for small businesses that meet specific criteria, such as single location. As a small business entrepreneur who is actively looking to set down roots for my business in Shoreline, I can testify that a large fee when attempting to open a business, is prohibitive.

For example, a 4300 square foot space, (think slightly larger than One Cup Coffee on Aurora or slightly smaller than Saltoro's on Greenwood) that previously had a use of "retail" (TIF= 4300x\$8.19=\$35,217) but will need to be converted to a "restaurant" use (TIF= 4300x\$22.97=\$98,771) would have a TIF change-of-use difference of \$63,554 and 50% of that is \$31,777. This price, though it is only half of the original change-of-use TIF, is still a non starter at nearly one third of my start-up budget.

I realize the ultimate question is where the funds will come from if the TIF is removed. I have some, perhaps over simplified, thoughts on how to fill those coffers. Like private residences that only pay TIF as a new construction but not when the house changes hands in sale, exempt TIF change-of-use fees for businesses that fill any of the many vacant commercial spaces around Shoreline, while still charging a TIF to the developers of NEW commercial and residential constructions. Additionally, I have heard that Shoreline is considering a Business and Occupation (BAO) tax. As a business owner, it would be more feasible to pay a tax through my revenue to support the community whose services my patrons and I are using, as opposed to a large fee before my business's doors even open.

My personal business interests aside, I have been a resident of Shoreline for 13 years and would like to see more independent establishments unique to Shoreline that function as neighborhood centers and have the ability to promote local commerce. As I look to the future, I am hopeful and excited for Shoreline to no longer be known simply as a northern suburb of Seattle but as a destination for commerce and dining. I wish to be a part of this local business community so that I may help contribute in a larger context in the place I call home.

Thank you for your diligent work and consideration.

Kelly Geubtner

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