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

Shoreline City Council 3.1416

Dan Eernissee, Economic Development



## Background

- TIF collected since Jan 1, 2015
- Ordinance No. 717 considered mid-2015
- Discussed in-depth on Jan 6, 2016
- Specific direction given on Feb 29, 2016



## Proposed Ordinance No. 717

- 50% exemption on TIF for businesses
- Removes disincentive to start-ups
- Eligibility designated by ITE code



## Lodging, theater, fitness, day care

310 Hotel

320 Motel

444 Movie theater

492 Health/fitness club

565 Day care center



## Office, retail, personal services

| 710  | General  | Office |
|------|----------|--------|
| 1 10 | Corrorar |        |

720 Medical Office

General retail/personal services

840 Car sales

850 Supermarket

851 Convenience Store

Discount supermarket

880 Pharmacy/drugstore



#### Services and restaurants

912 Bank

932 Restaurant: sit-down

934 Fast Food

937 Coffee/donut shop

941 Quick lube shop

944 Gas station

948 Automated car wash



#### **Council Action**

- Motion of proposed Ordinance No. 717 (Attachment A)
  - CM Salomon requested an amendment
  - CM Winstead requested an amendment to move forward if CM Salomon's amendment fails



#### Councilmember Salomon's amendment

"I move that proposed Ordinance No. 717 be amended to increase the partial 50% TIF exemption to a 100% TIF exemption."



#### Councilmember Winstead's amendment

"I move that proposed Ordinance No. 717 be amended to increase the 50% TIF exemption to a 100% TIF exemption for ITE Codes 310, 444, 932, and 937."

hotels, movie theaters, sit-down restaurants, coffee/donut shops (other businesses remain at 50% TIF Exemption)

### Thank you

Dan Eernissee, Economic Development deernissee@shorelinewa.gov 206-801-2218



#### Added resources

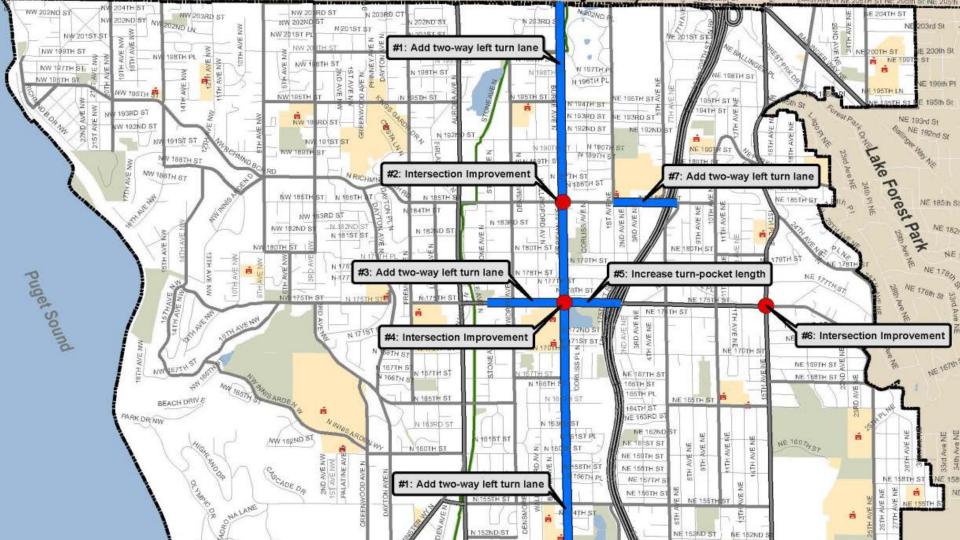


| Code | Land Use Category/Description                       | \$6,124.77 per Trip |                   |
|------|---|---------------------|-------------------|
| 90   | Park-and-ride lot w/ bus svc                        | 2,848.02            | per parking space |
| 110  | Light industrial                                    | 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   |
|      | General retail and personal                         |                     | •                 |
| 820  | services (includes shopping                         | 8.14                | per square foot   |
|      | center)   |                     |                   |
| 841  | Car sales   | 14.97               | per square foot   |
| 850  | Supermarket   | 22.23               | per square foot   |
|      |   |                     | *                 |
|      |   |                     |                   |

Impact Fee Per Unit @

## Rate Table From Ordinance No. 690 Exhibit B

| ITE  |                               | Impact Fee Per Unit @ |                 |
|------|-------------------------------|-----------------------|-----------------|
| Code | Land Use Category/Description | \$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 |



## Two ways to apply exemption

\$29,381

| As written: Applied to Full TIF |               | Applied to net TIF Charge |               |  |
|---------------------------------|---------------|---------------------------|---------------|--|
| 2,500sf Bank TIF                | \$88,475      | 2,500sf Bank TIF          | \$88,475      |  |
| Less 50% Exemption              | \$44,238      | Less prior use credit     | \$29,875      |  |
| Less prior use credit           | \$29,875      | Plus Admin fee            | <u>\$ 161</u> |  |
| Plus Admin fee                  | <u>\$ 161</u> | Sub-total charge          | \$58,761      |  |
| Total charge                    | \$14,524      | Less 50% Exemption        | \$29,381      |  |

**Total Charge** 

