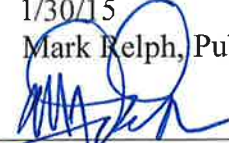


Shoreline Policy and Procedure

Administrative Order - Impact Fees Code interpretation – Multi-tenant buildings

Category and Number: Category Name - 12.1.30.15	Receiving Number: 7978
Code and statutory authority: 12.40	Authorized: Effective Date: 1/30/15 By: Mark Felph, Public Works Director
Supersedes: N/A	

- 1.0 PURPOSE – *This Administrative Order clarifies how the fee for multi-tenant buildings will be determined when future uses are unknown at the time of building permit application. This issue applies to existing single tenant buildings that are being converted to multi-tenant buildings as well as proposed new construction.***
- 2.0 DEFINITIONS – *See attached Administrative Order***
- 3.0 DEPARTMENTS AFFECTED – *Public Works, Planning and Community Development, City Attorney’s Office***
- 4.0 PROCESS – *See attached Administrative Order***
- 5.0 PROCEDURE – *See attached Administrative Order***



ADMINISTRATIVE ORDER No. 14-03

CODE INTERPRETATION

CODE SECTION: 12.40 Transportation Impact Fees

I. ISSUE

SMC 12.40.050(A) allows for the collection of transportation impact fees based on the rates in SMC 3.01.015. How will the fee for multi-tenant buildings be determined when future uses are unknown at the time of building permit application? This issue applies to existing single tenant buildings that are being converted to multi-tenant buildings as well as proposed new construction.

II. FINDINGS:

- SMC 12.40.050(A) allows for the collection of impact fees based on the rates in SMC 3.01.015.
- The development of property with a multi-tenant/multi-use building(s) is permitted by SMC 20.40. These buildings may be constructed without knowing future tenants/uses. These are commonly referred to as “shell” building permits or shopping centers.
- Individual tenant space within a “shell” building is converted to a specific use through a tenant improvement permit (TI permit).
- Existing buildings may be converted from a single tenant/use to a multi-tenant/multi-use building. A building permit is required to construct a wall that will divide tenant spaces.
- SMC 3.01.015 (“Rate Table”) establishes the rate for various land uses permitted in Shoreline, including “General Retail and Personal Services (includes shopping center)”.

III. CONCLUSIONS and DECISION

Establishing the procedure for calculating impact fees for multi-tenant/multi-use buildings will provide certainty for property owners, developers and tenants.

1. **Calculation of transportation impact fee for “shell” buildings:** The impact fee for a “shell” building shall be calculated at the rate for “General Retail and Personal Services (includes

shopping center)” in the Rate Table unless the specific uses are provided at the time of building permit application.

2. **Calculation of transportation impact fee for individual tenants/uses:** The impact fee for individual tenants/uses shall be calculated in conjunction with review of the TI permit application for each space. The applicant will be charged an impact fee equal to the rate established for that use in the Rate Table less the amount assessed for the proportionate space located in the original “shell” building.
3. **Calculation of transportation impact fee for buildings converted from single tenant/use to multi-tenants/multi-uses:** The impact fee for single to multi tenant/use conversions shall be calculated in conjunction with the review of the TI permit application for each space. The impact fee shall be adjusted to account for the immediately preceding use in accordance with SMC 12.40.050(B) and Administrative Order No. 14-01.



Director's Signature

1/30/2015
Date