

## CITY OF SHORELINE, WASHINGTON

## **ORDINANCE NO. 716**

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, AMENDING CHAPTER 12.40 TRANSPORTATION IMPACT FEES TO THE SHORELINE MUNICIPAL CODE TO ADDRESS CHANGE OF USE IN OCCUPIED AND VACANT STRUCTURES.

WHEREAS, on July 21, 2014, the Shoreline City Council adopted Ordinance 690, adopted Chapter 12.40 of the Shoreline Municipal Code, establishing a transportation impact fee program; and

WHEREAS, SMC 12.40.050(B) states that an existing structure that has been vacant for less than 12 months is entitled to a credit for the previous use, a structure that has been vacant for more than 12 months must pay the full impact fee for the new impact fee; and

WHEREAS, the administration of this provisions has been problematic and may unduly burden structures and/or the types of business that have a high turn-over rate; creating a disincentive to their redevelopment; and

WHEREAS, the City seeks to amend SMC 12.40.050(B) to resolve this issue;

## NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, DO ORDAIN AS FOLLOWS:

**Section 1. SMC 12.40.050(B).** Section 12.40.050(B) Collection of Impact Fees is amended as shown below:

12.40.050 Collection of impact fees.

- B. When an impact fee applies to a building permit for a change of use of an existing building, the impact fee shall be the applicable impact fee for the land use category of the new use, less any impact fee paid for the immediately preceding use. The preceding use shall be determined by the most recent legally established use based on a locally owned business license and development permit documents.
- 1. For purposes of this provision, a change of use should be reviewed based on the land use category provided in the rate study that best captures the broader use or development activity of the property under development or being changed. Changes of use and minor changes in tenancies that are consistent with the general character of the building or building aggregations (i.e., "industrial park," or "specialty retail"), or the previous use shall not be considered a change of use that is subject to an impact fee.

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  - 2. If no impact fee was paid for the immediately preceding use, the impact fee for the new use shall be reduced by an amount equal to the current impact fee rate for the immediately preceding use.
  - 3. Buildings vacant for less than 12 months shall be assessed with a reduction based on the most recent legally established use as shown on a locally owned business license. If the calculated impact fee is a negative amount, the applicant will not be required to pay impact fees nor will the applicant be compensated by the City for a negative impact fee.
  - 4. Buildings vacant for 12 months or more shall pay the full impact fee for the new use.

**Section 2. Severability.** If any portion of this chapter is found to be invalid or unenforceable for any reason, such finding shall not affect the validity or enforceability of any other chapter or any other section of this chapter.

**Section 3. Publication.** A summary of this Ordinance consisting of the title shall be published in the official newspaper.

Section 4. Effective Date and Impact Fee Rate Adjustment. The provisions of this Ordinance shall become effective five (5) days from its publication and shall be utilized to adjust the impact fee rate for all complete building permit applications received between January 1, 2015 and the effective date of this Ordinance. If an applicant has already paid the impact fee, the applicant must file a written refund request with the City within thirty (30) days of the effective date of this Ordinance or any refund due shall be deemed waived. The City shall refund that portion of the fee affected by this Ordinance, including any interest earned, within thirty (30) days of the written refund request being submitted.

PASSED BY THE CITY COUNCIL ON AUGUST 3, 2015.

Mayor Shari Winstead

ATTEST:

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Zity Clerk

Date of Publication: August 6, 2015 Effective Date: August 11, 2015 APPROVED AS TO FORM:

Margaret King

City Attorney