

ORDINANCE NO. 1056**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON AMENDING SECTION 3.80.070(I) OF SHORELINE MUNICIPAL CODE CHAPTER 3.80 IMPACT FEES FOR TRANSPORTATION FACILITIES TO REINSTATE AN EXEMPTION FOR QUALIFYING BUSINESSES AND PROVIDING AN EXPIRATION DATE FOR THE EXEMPTION.**

WHEREAS, the City of Shoreline is a non-charter optional municipal code city as provided in Title 35A RCW, incorporated under the laws of the State of Washington; and

WHEREAS, under chapter 82.02 of the Revised Code of Washington (RCW), the City is authorized to impose impact fees for system improvements to ensure that new development pays its proportionate share of the costs of public facilities needed to serve new growth and development and to provide an exemption when it serves a broad public purpose; and

WHEREAS, on March 21, 2016, the City Council adopted Ordinance No. 717, providing a temporary exemption from the payment of transportation impact fees for certain qualifying businesses so as to encourage businesses to locate in the City of Shoreline; and

WHEREAS, with the adoption of Ordinance No. 843 in 2018 and Ordinance No. 998 in 2023, the City Council extended this temporary exemption which expired on December 31, 2025; and

WHEREAS, reinstating the exemption will encourage the development of businesses, thereby achieving the community's vision and economic goal for vibrant, walkable neighborhoods with a diverse array of shops, restaurants, and services; and

WHEREAS, reinstating the exemption will also assist in reducing in-city vehicle trips and lowering vehicle emissions; and

WHEREAS, the City Council has considered the proposed reinstatement of the exemption, including development of supporting data and limiting the time period for the exemption, along with any and all comments received from the public, written or oral, in regard to the same at its March 9, 2026, regular meeting; and

WHEREAS, the City Council has determined to reinstate the impact fee exemption for a five (5) year period for certain types of business that it previously established so as to continue to encourage businesses to locate within the City consistent with community vision and economic goals;

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

Section 1: Amendment of SMC Chapter 3.80. Section 3.80.070(l) is reinstated and shall read as follows:

I. Businesses - Exemption. An applicant for a commercial (COM) or mixed use (MXU) building permit type that is proposing a business use is exempt from paying impact fees under the following conditions:

1. The proposed business use must satisfy one of the following criteria:

- a. Qualify as permitted ground floor non-residential use in the zoning district; or
- b. Qualify as a “business” use based on the following Institute of Transportation Engineers (ITE) code categories:

ITE Code	Land Use Category/Description
110	Light industrial
140	Manufacturing
310	Hotel
330	Resort hotel
565	Day care center
710	General office
712	Small office building
720	Medical-dental office
750	Office park
760	Research and development center
770	Business park
858	Farmer's market
926	Food cart pod
931	Fine dining restaurant

ITE Code	Land Use Category/Description
932	Restaurant - sit down
933	Fast food without drive-thru window
936	Coffee/donut shop without drive-thru window
970	Wine tasting room
971	Brewery/tap room
975	Drinking place

- c. If none of the ITE fee categories in subsection (l)(1)(b) of this section accurately describes or captures a new business, the director shall determine the applicable ITE fee category and whether that ITE category is the type of business intended to be eligible for exemption under this section.

2. The following business uses are not eligible for the exemption provided in this section:

ITE Code	Land Use Category/Description
841	Car sales
934	Fast food with drive-thru window
937	Coffee/donut shop with drive-thru window
941	Quick lube shop
944	Gas station
948	Automated or self-serve car wash

3. The amount of impact fees not collected from businesses pursuant to this exemption shall be paid from public funds other than the impact fee account.

4. Term. This subsection shall expire on March 30, 2031.

Section 2: Corrections by City Clerk or Code Reviser. Upon approval of the City Attorney, the City Clerk and/or the Code Reviser are authorized to make necessary corrections to this Ordinance, including the corrections of scrivener or clerical errors; references to other local, state, or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering and references.

Section 3: Severability. Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be preempted by state or federal law or regulation, such decision or preemption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 4: Publication and Effective Date. Summary of this Ordinance consisting of the title shall be published in the official newspaper. This Ordinance shall take effect five days after publication. The regulations adopted by the Ordinance shall expire on March 30, 2031.

ADOPTED BY THE CITY COUNCIL ON MARCH 23, 2026.


Mayor Betsy Robertson

ATTEST:


Jessica Simulcik Smith
City Clerk

APPROVED AS TO FORM:


Margaret King
City Attorney

Date of Publication:

May 21, 2026

Effective Date:

May 26, 2026

Expiration Date: March 30, 2031