

Revenue Source	Period	Page
Sales Tax		
All Sales Tax Sectors	December 2014 – July 2015	2-3
<i>Table S-1: Sales Tax – Variance by Month</i>		
<i>Table S-2: Sales Tax – Primary Sectors (December (Prior Year) – July)</i>		
<i>Table S-3: Comparison of 2015 YTD Actual Less One-Time to 2015 Budget Projection</i>		
<i>Chart S-1: Sales Tax</i>		
Retail Trade Sector	December 2014 – July 2015	4-5
<i>Chart S-2: Retail Trade</i>		
<i>Table S-4: Retail Trade Categories (December (Prior Year) – July)</i>		
<i>Chart S-3: New Car Dealers</i>		
Construction Sector	December 2014 – July 2015	5
<i>Chart S-4: Construction Sector (Total Receipts)</i>		
<i>Chart S-5: Construction Sector (Net of One-Time)</i>		
Real Estate Excise Tax		
REET Collections	January – September 2015	6
<i>Table R-1: REET Collections</i>		
<i>Chart R-1: REET Collections</i>		
<i>Chart R-2: 2015 REET Collections by Category</i>		
REET Transactions	January – September 2015	7-8
<i>Table R-2: REET Sales</i>		
<i>Table R-3: 2015 REET Sales by Category</i>		
<i>Chart R-3a: September 2015 SFR Sales</i>		
<i>Chart R-3b: YTD 2015 SFR Sales</i>		
<i>Table R-4: REET Sales > \$1 Million</i>		
Development		
Permit Count by Type	January – September 2015	9
<i>Table D-1: Permit Count by Type</i>		
<i>Chart D-1: Permit Count by Type</i>		
Revenue Received by Permit Type	January – September 2015	9
<i>Chart D-2: Revenue Received by Type</i>		
<i>Chart D-3: Percentage of 2015 Revenue Received by Type</i>		
Issued Building Permits and Valuation	January – September 2015	9-10
<i>Table D-2: 2015 Issued Building Permits and Valuation</i>		
<i>Chart D-4a: Number of Building Permits</i>		
<i>Chart D-4b: Valuation of Building Permits</i>		

Key to trend indicators	
	Positive: Positive change or variance > +2%.
	Neutral: Change or variance of -1% to +2%.
	Warning: Negative change or variance of -1% to -4%.
	Negative: Negative change or variance of > -4%.

All Sales Tax Sectors:

When analyzing monthly sales tax receipts, there are two items of special note: First, most businesses remit their sales tax collections to the Washington State Department of Revenue (DOR) on a monthly basis. Small businesses only have to remit their sales tax collections either quarterly or annually, which can create anomalies when comparing the same month between two years. Second, for those businesses which remit sales tax monthly, there is a two month lag from the time that sales tax is collected to the time it is distributed to the City.

Table S-1: Sales Tax - Variance by Month							
Month of Activity	2015				2014		
	Budget Projection	Revised Projection	Actual	Actual v. Bud. Proj. % Var.	Actual v. Rev. Proj. % Var.	Actual	2015 v. 2014 % Change
December (Prior Yr)	\$713,638	\$739,577	\$792,683	↑ 11.1%	↑ 7.2%	\$712,174	↑ 11.3%
January	\$546,336	\$565,784	\$565,161	↑ 3.4%	↔ -0.1%	\$554,366	↔ 1.9%
February	\$515,769	\$533,078	\$547,403	↑ 6.1%	↑ 2.7%	\$533,674	↑ 2.6%
March	\$608,209	\$628,482	\$630,073	↑ 3.6%	↔ 0.3%	\$609,471	↑ 3.4%
April	\$569,822	\$580,611	\$605,418	↑ 6.2%	↑ 4.3%	\$587,117	↑ 3.1%
May	\$591,739	\$610,522	\$625,846	↑ 5.8%	↑ 2.5%	\$616,693	↔ 1.5%
June	\$641,473	\$661,835	\$702,026	↑ 9.4%	↑ 6.1%	\$674,044	↑ 4.2%
July	\$694,590	\$716,638	\$753,169	↑ 8.4%	↑ 5.1%	\$725,205	↑ 3.9%
Totals	\$4,881,576	\$5,036,526	\$5,221,778	↑ 7.0%	↑ 3.7%	\$5,012,744	↑ 4.2%
Totals may not foot due to rounding.							

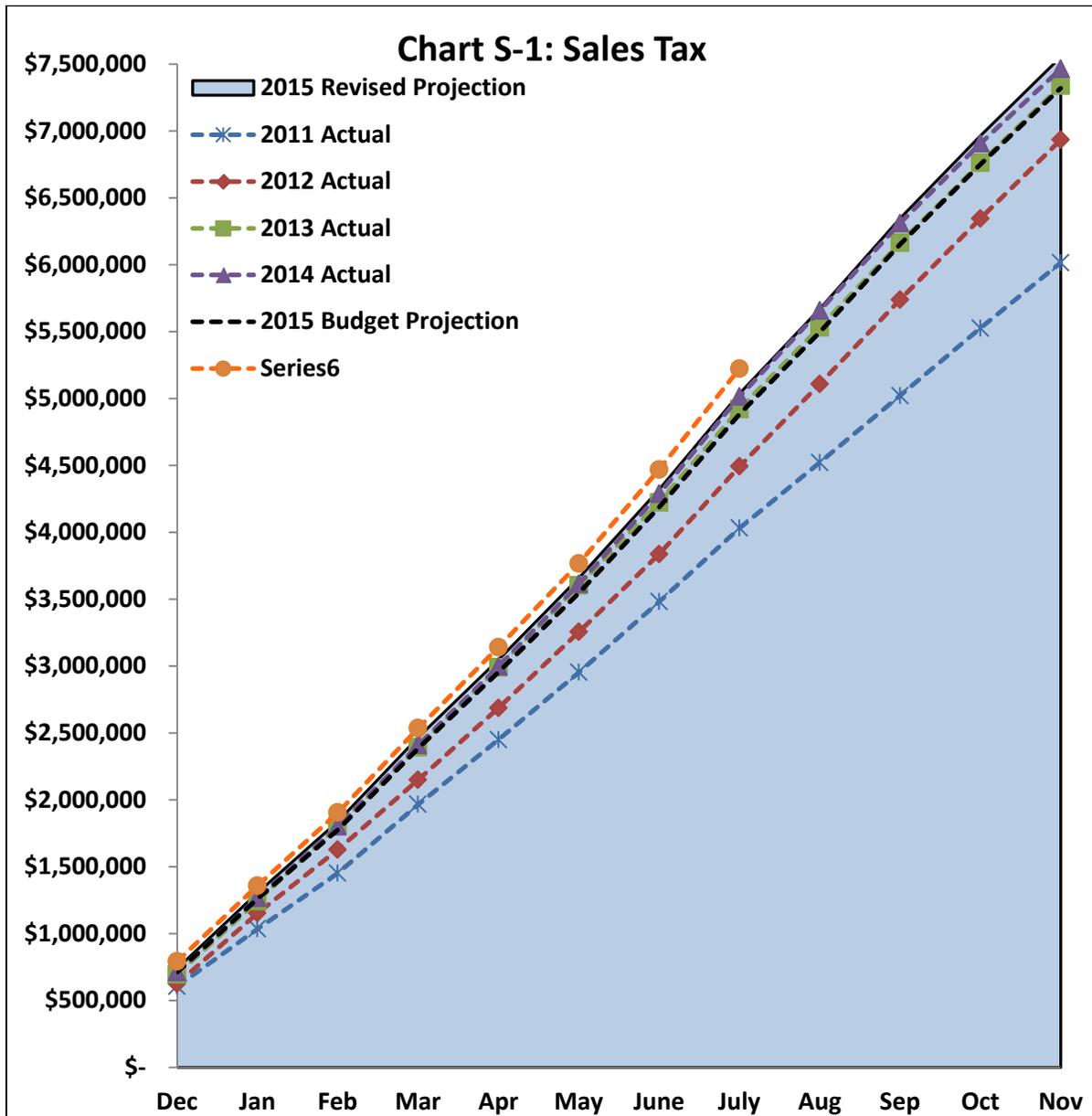
Total sales tax receipts through the month of September 2015, which reflects activity from December 2014 through July 2015, are higher than the budget projection by 7.0%, the revised projection by 3.7%, and the year-ago level by 4.2%. Removing one-time construction activity from the calculation reveals total receipts are higher than the budget projection by 6.6%, revised projection by 3.3% (See Table S-3), and the year-ago level by 6.2%.

Staff’s review of the detailed categories in Table S-4 revealed that some businesses may be miscoding their tax returns. Staff is working with the DOR to investigate and correct this issue. Until the issue is resolved the Miscellaneous Store Retailers category will appear to be lower than the year-ago level.

Table S-2: Sales Tax - Primary Sectors December (Prior Year) - July					
Primary Sector	2011	2012	2013	2014	2015
Construction	\$408,110	\$774,897	\$893,412	\$730,341	\$692,139
\$ Change	\$45,644	\$366,787	\$118,515	(\$163,071)	(\$38,203)
% Change	↑ 12.6%	↑ 89.9%	↑ 15.3%	↓ -18.3%	↓ -5.2%
Retail Trade	\$2,576,739	\$2,718,554	\$2,953,139	\$3,070,639	\$3,294,255
\$ Change	\$66,856	\$141,815	\$234,585	\$117,500	\$223,616
% Change	↑ 2.7%	↑ 5.5%	↑ 8.6%	↑ 4.0%	↑ 7.3%
Hotels / Restaurant	\$250,929	\$259,067	\$278,075	\$291,617	\$313,761
\$ Change	\$602	\$8,138	\$19,008	\$13,542	\$22,145
% Change	↔ 0.2%	↑ 3.2%	↑ 7.3%	↑ 4.9%	↑ 7.6%
All Others	\$795,397	\$739,133	\$795,906	\$920,148	\$921,624
\$ Change	\$55,528	(\$56,264)	\$56,773	\$124,241	\$1,476
% Change	↑ 7.5%	↓ -7.1%	↑ 7.7%	↑ 15.6%	↔ 0.2%
Total Revenue	\$4,031,175	\$4,491,651	\$4,920,532	\$5,012,744	\$5,221,778
\$ Change	\$168,630	\$460,476	\$428,881	\$92,212	\$209,034
% Change	↑ 4.4%	↑ 11.4%	↑ 9.5%	↔ 1.9%	↑ 4.2%

Table S-3: Comparison of 2015 YTD Actual Less One-Time to 2015 Budget Projection December 2014 - July 2015

Primary Sector	2015 YTD Budget Projection	2015 YTD Revised Projection	2015 YTD Actual	2015 YTD Actual Less One-Time	2015 YTD Actual Less One-Time v. 2015 YTD Bud. Proj.	2015 YTD Actual Less One-Time v. 2015 YTD Rev. Proj.
Retail Trade Sector	\$3,127,597	\$3,223,376	\$3,294,255	\$3,294,255	↑ 5.3%	↑ 2.2%
Construction Sector	\$586,425	\$604,383	\$692,139	\$674,853	↑ 15.1%	↑ 11.7%
Other Taxable Sales Sectors	\$1,167,554	\$1,208,767	\$1,235,385	\$1,235,385	↑ 5.8%	↑ 2.2%
Total Local Sales & Use Tax	\$4,881,576	\$5,036,526	\$5,221,778	\$5,204,492	↑ 6.6%	↑ 3.3%
Totals may not foot due to rounding.						



Retail Trade Sector:

Receipts from activity for December 2014 through July 2015 are higher than the budget projection by 5.3%, revised projection by 2.2% (See Table S-3), and year-ago level by 7.3% (See Tables S-2 and S-4). In August, staff contacted the DOR to investigate the possible miscoding of some tax returns since September 2014 which has caused the Miscellaneous Store Retailers category to appear to be 7.0% lower than the year-ago level (See Table S-4).

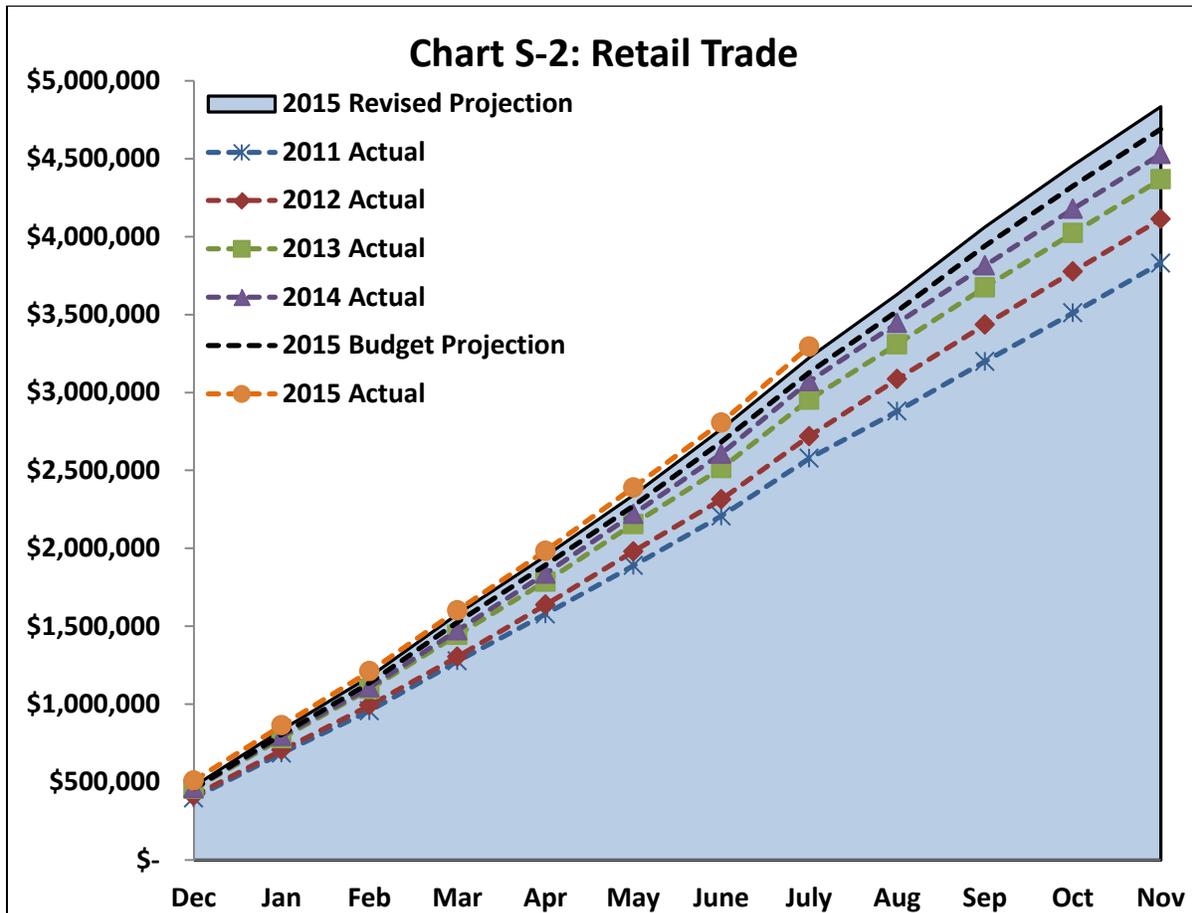
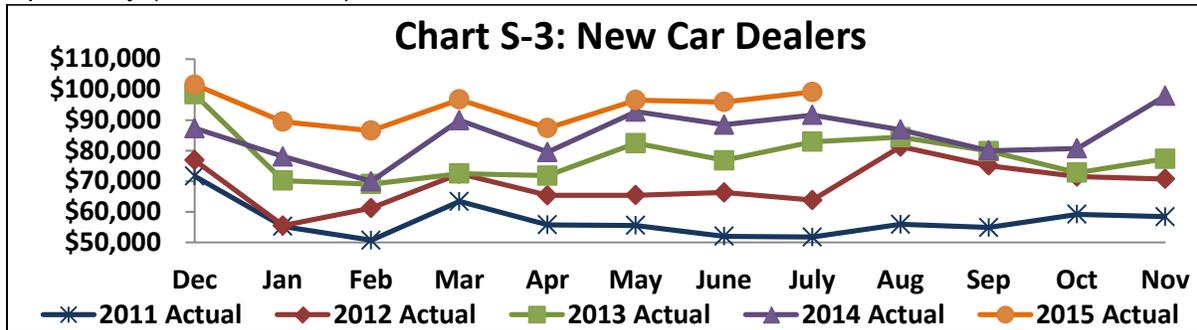


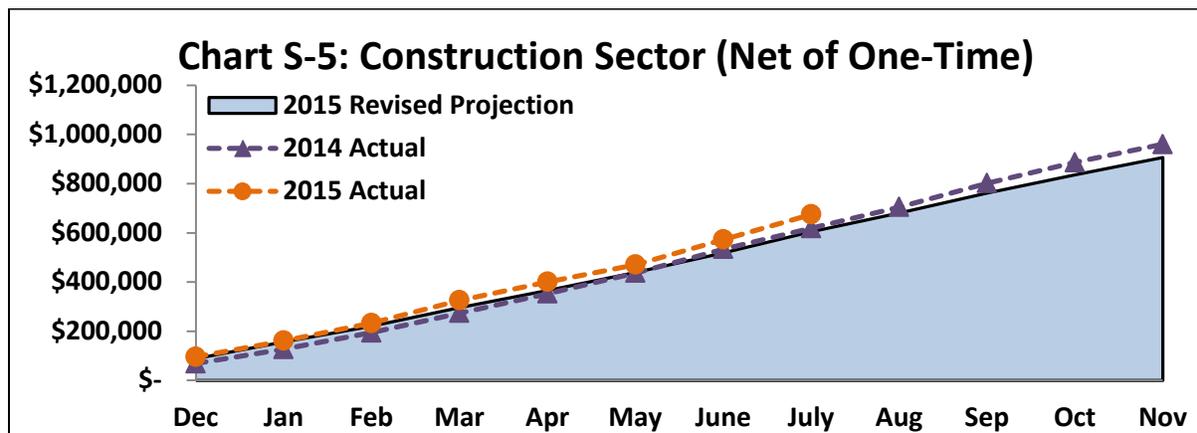
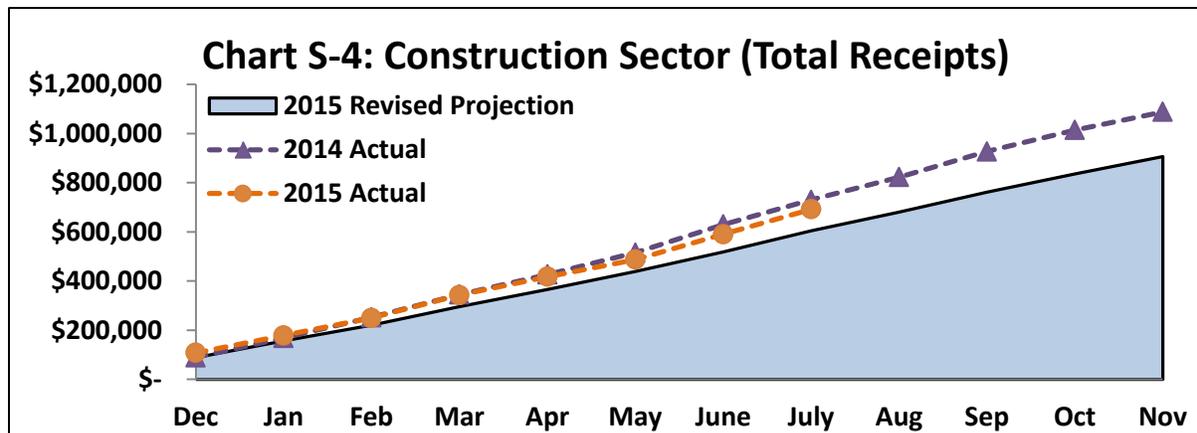
Table S-4: Retail Trade Categories December (Prior Year) - July					
Category	2013	2014 v. 2013 % Change	2014	2015 v. 2014 % Change	2015
Motor Veh. & Parts Dealer	\$746,634	↑ 10.2%	\$822,454	↑ 7.9%	\$887,686
Furniture & Home Funishings	\$39,321	↑ 3.8%	\$40,825	↓ -9.4%	\$36,972
Electronics & Appliances	\$61,754	↑ 22.8%	\$75,820	↓ -4.8%	\$72,181
Building Material & Garden	\$450,716	↑ 2.7%	\$462,927	↑ 18.5%	\$548,637
Food & Beverage Stores	\$177,363	↓ -4.4%	\$169,482	↑ 3.4%	\$175,178
Health & Personal Care Stores	\$108,266	↑ 3.2%	\$111,766	↑ 25.2%	\$139,925
Gasoline Stations	\$50,587	↔ -0.1%	\$50,560	↑ 7.2%	\$54,210
Clothing & Accessories	\$31,144	↑ 5.2%	\$32,768	↑ 19.6%	\$39,187
Sporting Goods, Hobby, Books	\$50,167	↑ 8.2%	\$54,260	↑ 3.9%	\$56,388
General Merchandise Stores	\$970,204	↔ -0.3%	\$966,945	↑ 3.2%	\$997,761
Miscellaneous Store Retailers	\$170,290	↔ 0.2%	\$170,683	↓ -7.0%	\$158,804
Nonstore Retailers	\$96,694	↑ 16.0%	\$112,150	↑ 13.5%	\$127,326
Total Retail Trade	\$2,953,139	↑ 4.0%	\$3,070,639	↑ 7.3%	\$3,294,255

There continues to be significant growth in receipts from new car dealers (in the Motor Vehicle and Parts Dealer category) since 2011. Receipts for the month of July were higher than those for the same period of 2014, 2013, 2012 and 2011 by 8.2%, 19.6%, 55.5%, and 91.9%, respectively (See Chart S-3).



Construction Sector:

Receipts from activity for December 2014 through July 2015 of \$692,139 are 5.2% lower than the year-ago level of \$730,341 (See Table S-2 and Chart S-4). Of the amount collected so far this year, \$17,286, or 2.5%, is attributable to one-time activity. Of the amount collected for the same period of 2014, \$111,687, or 15.3%, was attributable to one-time activity. Removing one-time activity from the calculation reveals receipts are higher than the budget projection by 15.1%, revised projection by 11.7% (See Table S-3), and the year-ago level by 9.1% (See Chart S-5). Large one-time projects generated less sales tax this year than they did in prior years. These year-over-year changes reflect an increased level of ongoing construction activity within the City.

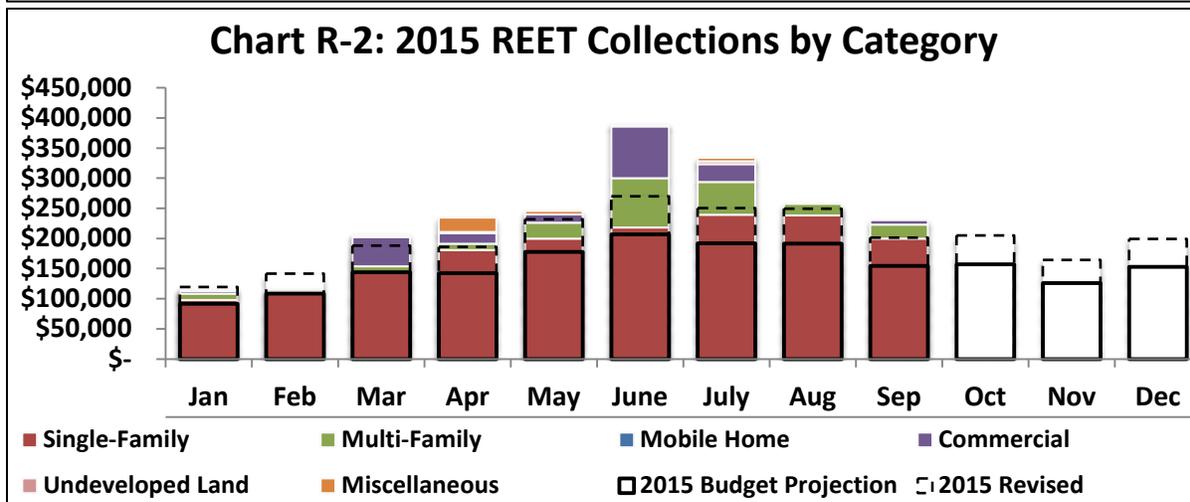
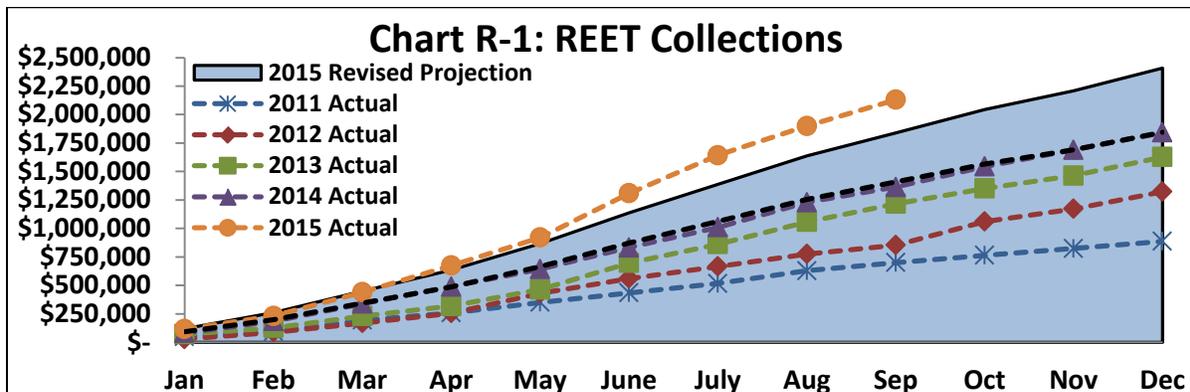


REET Collections:

Total REET collections through September 2015 totaling \$2,131,204 are ahead of the budget projection by 51.3%, the revised projection by 15.9%, and the year-ago level by 56.2%. Table R-1 and Chart R-1 below exhibit the REET collections. Chart R-2 below exhibits the actual collections by category compared to the overall budget and revised projections for each month. The collections from Commercial transactions shown in Chart R-2 and Tables R-2 and R-3 were mostly from the sale of the Safeway on Aurora Ave. just south of N 155th St. in March for \$9.3 million and again in June for \$10.7 million.

Table R-1: REET Collections								
Month of Activity	2015					2014	2015 v. 2014	
	Budget Projection	Revised Projection	Actual	Actual v. Bud. Proj.	Actual v. Rev. Proj.	Actual	Actual \$ Change	Actual % Change
January	\$91,716	\$119,719	\$116,569	↑ 27.1%	↓ -2.6%	\$82,900	\$33,669	↑ 40.6%
February	\$108,441	\$141,551	\$115,392	↑ 6.4%	↓ -18.5%	\$102,625	\$12,766	↑ 12.4%
March	\$144,136	\$188,145	\$207,359	↑ 43.9%	↑ 10.2%	\$153,759	\$53,600	↑ 34.9%
April	\$142,556	\$186,083	\$234,906	↑ 64.8%	↑ 26.2%	\$149,062	\$85,844	↑ 57.6%
May	\$177,690	\$231,944	\$245,735	↑ 38.3%	↑ 5.9%	\$154,550	\$91,184	↑ 59.0%
June	\$206,936	\$270,120	\$389,551	↑ 88.2%	↑ 44.2%	\$189,068	\$200,483	↑ 106.0%
July	\$191,875	\$250,461	\$333,974	↑ 74.1%	↑ 33.3%	\$178,212	\$155,762	↑ 87.4%
August	\$191,180	\$249,554	\$257,147	↑ 34.5%	↑ 3.0%	\$218,626	\$38,522	↑ 17.6%
September	\$154,494	\$201,666	\$230,572	↑ 49.2%	↑ 14.3%	\$135,348	\$95,224	↑ 70.4%
Totals	\$1,409,023	\$1,839,243	\$2,131,204	↑ 51.3%	↑ 15.9%	\$1,364,151	\$767,053	↑ 56.2%

Totals may not foot due to rounding.



REET Transactions:

The number and value of the transactions in September 2015 were higher than the year-ago level. Year-to-date there has been 209 more transactions with a value that is \$153.4 million more than the year-ago level. Table R-2 below exhibits the number of sales and value of all residential and commercial transactions that occurred during the period of January through September in 2014 and 2015. Of the transactions greater than \$1.0 million in 2015, twenty-two were SFRs (\$32.9 million) and twelve were businesses (\$59.0 million). In 2014, fourteen were SFRs (\$20.5 million) and eight were businesses (\$16.5 million). Netting out the value of those transactions reveals a value that is \$98.5 million, or 41.8% higher.

Month of Activity	2015		2014		2015 v. 2014		
	No. of Sales	Value	No. of Sales	Value	No. of Sales	Value \$ Change	Value % Change
January	56	\$23,314	46	\$16,580	10	\$6,734	↑ 40.6%
February	63	\$23,078	41	\$20,525	22	\$2,553	↑ 12.4%
March	87	\$41,472	74	\$30,752	13	\$10,720	↑ 34.9%
April	104	\$46,981	84	\$29,812	20	\$17,169	↑ 57.6%
May	99	\$49,147	77	\$30,910	22	\$18,237	↑ 59.0%
June	126	\$77,910	88	\$37,814	38	\$40,097	↑ 106.0%
July	133	\$66,795	89	\$35,642	44	\$31,152	↑ 87.4%
August	124	\$51,429	108	\$43,725	16	\$7,704	↑ 17.6%
September	96	\$46,114	72	\$27,070	24	\$19,045	↑ 70.4%
Totals	888	\$426,241	679	\$272,830	209	\$153,411	↑ 56.2%

Totals may not foot due to rounding.

Table R-3 below exhibits the number and value of sales by category that occurred during the period of January through September 2015.

Month of Activity	Single-Family		Multi-Family		Mobile Home		Commercial		Miscellaneous		Undeveloped	
	No. of Sales	Value	No. of Sales	Value	No. of Sales	Value	No. of Sales	Value	No. of Sales	Value	No. of Sales	Value
January	44	\$19,604	9	\$2,138	0	\$0	1	\$768	1	\$505	1	\$300
February	59	\$22,189	3	\$888	0	\$0	0	\$0	0	\$1	1	\$0
March	73	\$28,831	9	\$1,962	0	\$0	2	\$9,677	1	\$305	2	\$697
April	84	\$36,212	11	\$2,104	0	\$0	1	\$3,400	7	\$4,767	1	\$499
May	77	\$39,995	19	\$5,274	0	\$0	1	\$2,750	2	\$1,128	0	\$0
June	96	\$43,694	26	\$16,293	0	\$0	2	\$17,200	1	\$659	1	\$65
July	105	\$47,899	21	\$10,843	0	\$0	2	\$5,893	2	\$1,155	3	\$1,005
August	111	\$47,647	13	\$3,782	0	\$0	0	\$0	0	\$0	0	\$0
September	80	\$39,939	15	\$4,626	0	\$0	1	\$1,550	0	\$0	0	\$0
Totals	729	\$326,009	126	\$47,909	0	\$0	10	\$41,237	14	\$8,519	9	\$2,565

Totals may not foot due to rounding.

Charts R-3a and R-3b are histograms exhibiting the number of single-family residences that sold in 2015 in each of the various price ranges. The majority (72.4%) of the homes sold through September were priced from \$200,000 to \$499,999 with 31.1% priced from \$300,000 to \$399,999 and 28.0% priced from \$400,000 to \$499,999. The average transaction value year-to-date, excluding sales with a transaction value greater than \$1 million, was 11.0% higher in 2015 than 2014 at \$427,931 and \$385,449, respectively.

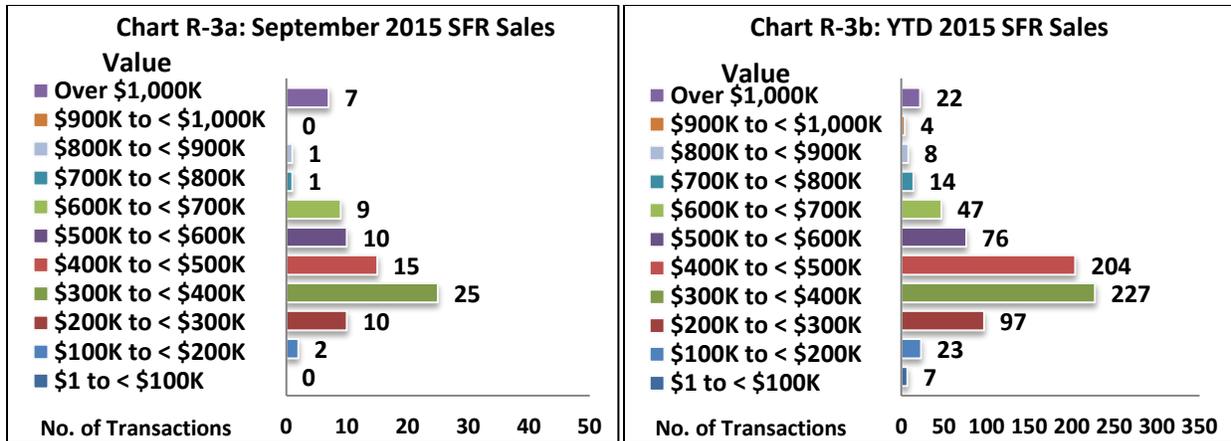


Table R-4 below exhibits the number and value of all residential and commercial transactions greater than \$1.0 million. In September 2015 there were seven SFR transactions (\$8.8 million) and two commercial transactions (\$2.7 million). Year-to-date through September 2015, there have been twenty-two SFRs sold for more than \$1.0 million, which accounts for \$32.9 million, or 35.8% of the total and twelve commercial properties, which accounts for \$59.0 million, or 64.2% of the total.

Table R-4: REET Sales > \$1 Million (\$ in thousands)							
Month of Activity	2015		2014		2015 v. 2014		
	No. of Sales	Value	No. of Sales	Value	No. of Sales	Value \$ Change	Value % Change
January	1	\$1,755	1	\$1,500	0	\$255	↑ 17.0%
February	0	\$0	3	\$5,966	(3)	(\$5,966)	N/A
March	2	\$10,322	5	\$6,000	(3)	\$4,322	↑ 72.0%
April	5	\$8,875	0	\$0	5	\$8,875	N/A
May	4	\$11,515	1	\$2,096	3	\$9,419	↑ 449.3%
June	7	\$32,053	3	\$8,540	4	\$23,513	↑ 275.3%
July	5	\$14,797	2	\$3,319	3	\$11,478	↑ 345.8%
August	1	\$1,095	5	\$7,138	(4)	(\$6,043)	↓ -84.7%
September	9	\$11,476	2	\$2,453	7	\$9,023	↑ 367.8%
Totals	34	\$91,889	22	\$37,012	12	\$54,877	↑ 148.3%

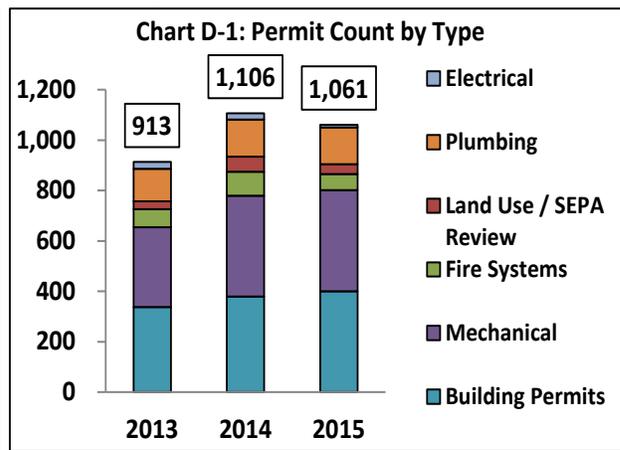
Totals may not foot due to rounding.

The number of permits issued in 2015 is 4.1% lower than the year-ago level, but the number of building permits issued and plan checks has increased 5.3% (See Table D-1 and Chart D-1).

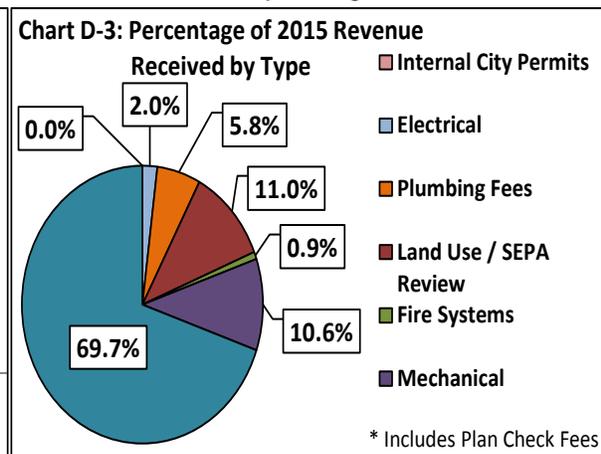
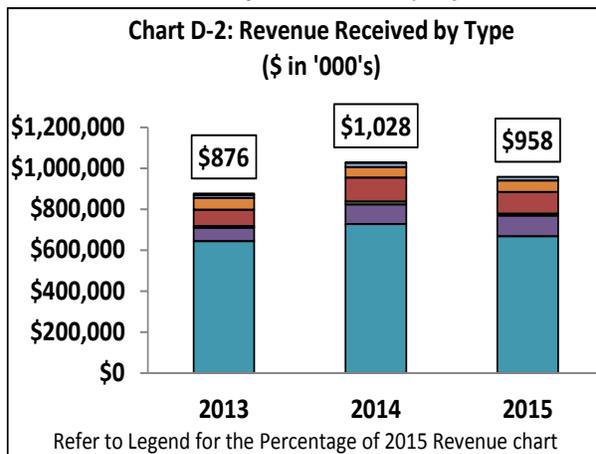
Table D-1: Permit Count by Type

Type	2013	2014	2015	2015 v. 2014 # Chg.	2015 v. 2014 % Chg.
Building *	338	380	400	20 ↑	5.3%
Mechanical	316	400	401	1 ↗	0.3%
Fire Systems	72	94	64	(30) ↓	-31.9%
Land Use / SEPA Review	31	60	39	(21) ↓	-35.0%
Plumbing	129	148	146	(2) ↘	-1.4%
Electrical	27	24	11	(13) ↓	-54.2%
Totals	913	1,106	1,061	(45) ↓	-4.1%

* Includes Plan Check



Permit revenue in September 2015 totaled \$90,673. Total revenue to date is \$958,392, which is 28.9% ahead of the year-to-date projection but 6.8% lower than the year-ago level.

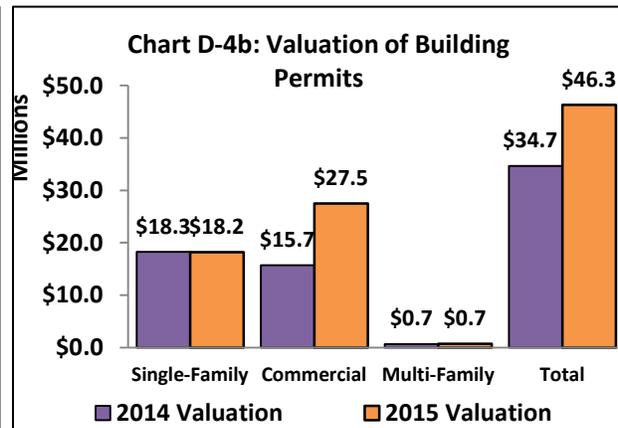
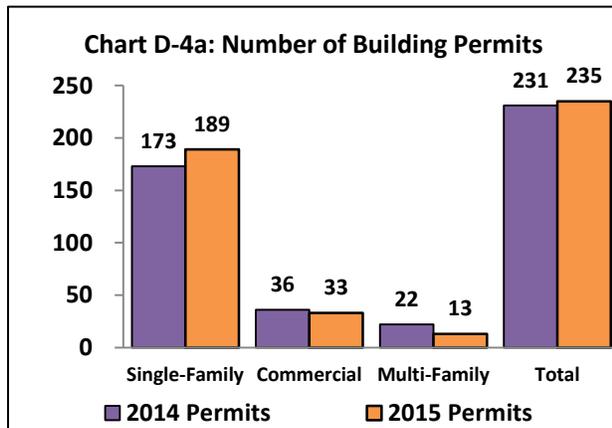


Valuation of 22 building permits for new construction and remodels issued in September totals \$2.0 million and is comprised 90.5% of residential and 9.5% of commercial / multi-family valuation. Valuation of 213 building permits for new construction and remodels issued year-to-date totals \$44.3 million (See Chart D-4b) and is comprised 39.2% of residential and 60.8% of commercial / multi-family valuation.

Table D-2: 2015 Issued Building Permits and Valuation (\$ in thousands)

Month	Residential				Commercial				Multi-Family			
	New		Add/Remodel		New		Add/Remodel		New		Add/Remodel	
	#	Valuation	#	Valuation	#	Valuation	#	Valuation	#	Valuation	#	Valuation
January	0	\$0	14	\$863	0	\$0	2	\$15	0	\$0	4	\$106
February	2	\$423	18	\$1,578	0	\$0	3	\$28	0	\$0	0	\$0
March	4	\$1,045	12	\$600	0	\$0	2	\$1,288	0	\$0	0	\$0
April	1	\$427	15	\$382	0	\$0	1	\$3	0	\$0	0	\$0
May	6	\$2,283	25	\$710	0	\$0	12	\$1,824	0	\$0	0	\$0
June	4	\$1,402	28	\$1,150	1	\$21,729	1	\$1,120	0	\$0	0	\$0
July	7	\$2,336	21	\$1,327	0	\$0	6	\$1,177	0	\$0	2	\$406
August	5	\$1,598	9	\$286	1	\$20	1	\$80	0	\$0	6	\$135
September	2	\$1,461	16	\$304	0	\$0	3	\$187	0	\$0	1	\$30
Totals	31	\$10,977	158	\$7,200	2	\$21,749	31	\$5,721	0	\$0	13	\$677

Local development activity in 2015, in terms of the number of building permits pulled for new construction and remodels and the valuation in 2015, is higher than the year-ago level (See Charts D-4a and D-4b). Significant projects worth mentioning in 2014 and 2015 are listed below.



2014 Large Projects:

- **March:**
 - North City Water District: 3,200 sf pump station (\$4.0M)
- **April:**
 - Washington State Public Health Lab: Remodel (\$1.8 M)
- **July:**
 - US Biotek: 2-story office/lab building (\$2.9M)
- **September:**
 - Shoreline Star Apartments: 129-unit residential building (\$16.0M)

2015 Large Projects:

- **March:**
 - Costco: Gas station expansion (\$1.2M)
- **June:**
 - Swedish Medical Group: Tenant improvement (\$1.1M)
 - Centerpointe Apartments: 163 units, mixed-use (\$21.7M)
- **July:**
 - Shopping Center @ Midvale and NE 175th St.: Addition/Remodel (\$0.9M)
- **September:**
 - Single-Family Residence: New Construction (\$1.3M)