

## Estimated Annual Cost Examples For Properties Before and After Annexation to Bellingham

For property taxes and selected City services, programs, and fees (updated 1/10/2020)

 Examples	 Single Family Home (owner-occupied)	 Duplex Rental (owner off-site)	 20-Unit Apartment Building	 150-Unit Apartment Complex	 Small business - 5 employees	 Mid-size business - 50 employees	 Large business - 200 employees
	\$400,000 property tax value 7,500 sq ft lot 2,500 sq ft impervious	\$500,000 property tax value 9,000 sq ft lot 6,000 sq ft impervious	\$2M property tax value 40,000 sq ft lot 35,000 sq ft impervious	\$10M property tax value 290,000 sq ft lot 175,000 sq ft impervious	\$500,000 property tax value 20,000 sq ft lot 18,000 sq ft impervious \$2M gross annual receipts (50% manuf/wholesale, 40% other svcs, 10% retail)	\$2M property tax value 30,000 sq ft lot 25,000 sq ft impervious \$10M gross annual receipts (50% manuf/wholesale, 40% other svcs, 10% retail)	\$5M property tax value 40,000 sq ft lot 35,000 sq ft impervious \$30M gross annual receipts (50% manuf/wholesale, 40% other svcs, 10% retail)

### Before Annexation (outside City)

Property Taxes	\$4,566	\$5,708	\$22,831	\$114,156	\$5,708	\$22,831	\$57,078
City Water & Sewer Service	\$1,800	\$3,000	\$11,250	\$82,500	\$1,200	\$2,500	\$12,000
Stormwater Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rental Registration & Insp. *	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Business & Operations Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Estimated Total Annual Costs:</b>	<b>\$6,366</b>	<b>\$8,708</b>	<b>\$34,081</b>	<b>\$196,656</b>	<b>\$6,908</b>	<b>\$25,331</b>	<b>\$69,078</b>

### After Annexation (inside City)

Property Taxes	\$4,062	\$5,078	\$20,311	\$101,556	\$5,078	\$20,311	\$50,778
City Water & Sewer Service	\$1,200	\$2,000	\$7,500	\$55,000	\$799.00	\$1,665	\$7,992
Stormwater Fee	\$140	\$280	\$1,632	\$8,159	\$839	\$1,166	\$1,632
Rental Registration & Insp. *	\$0	\$87	\$333	\$2,200	\$0	\$0	\$0
Business & Operations Taxes	\$0	\$0	\$0	\$0	\$5,560	\$27,800	\$83,400
<b>Estimated Total Annual Costs:</b>	<b>\$5,402</b>	<b>\$7,444</b>	<b>\$29,776</b>	<b>\$166,914</b>	<b>\$12,276</b>	<b>\$50,942</b>	<b>\$143,802</b>

<b>Difference (Before - After)</b>	<b>(\$964)</b>	<b>(\$1,264)</b>	<b>(\$4,305)</b>	<b>(\$29,742)</b>	<b>\$5,368</b>	<b>\$25,610</b>	<b>\$74,724</b>
------------------------------------	----------------	------------------	------------------	-------------------	----------------	-----------------	-----------------

### Assumptions (all rates are for 2020)

Property Tax Rate outside City = \$11.4155895324 / \$1,000 taxable value

Property Tax Rate inside City = \$10.1555778777 / \$1,000 taxable value

Rental registration fee = \$10/unit per year or \$8/unit if 21 or more units

Rental registration inspections are \$100/unit every 3 years for the specified number of units requiring inspection which varies by unit total per property (e.g. inspections required for 20% of units for properties with 21 or more total units)

\* Rental Registration & Inspection costs are 3-year average - see below for additional program info

For City water/sewer service there is a 150% surcharge for properties outside City Limits. For business examples estimates are based on typical water consumption for commercial office type usage for small, mid-size, and large employees. Actual billing will vary by metered consumption.

Stormwater rate = \$14.00/bi-monthly cycle for <1,000 sq ft, or \$23.32/bi-monthly cycle for 1,000-2,999 sq ft, or \$0.00777/sq ft for >= 3,000 sq ft impervious area

City B & O Tax rates are \$0.0017 for extracting, manufacturing, retailing, and wholesaling; and \$0.0044 for services and other activities.

**All figures listed above are estimates and may not apply to all properties equally. In addition, the estimates above do not include many private utilities like phone, cable, and garbage service, and other costs of ownership or renting that apply to most properties.**

### Understanding Rental Registration & Safety Inspection Program Fees

#### Registration fees (registration fees are due every year)

- 1-20 rental units = \$10/unit registration each year
- 21+ rental units = \$8/unit registration each year

#### Inspection fees (inspections occur once every three years)

- 1-20 rental units, a total of up to 4 units (selected randomly by the City) need to be inspected every three years at a rate of \$100 per unit inspected
- 21+ rental units, a total of 20% of the units (selected randomly by the City) need to be inspected every three years at a rate of \$100 per unit inspected

#### Examples

- A duplex with two rental units = \$20 annual registration + \$200 every three years for inspection of 2 units (three-year total = \$260 or about \$87/year)
- A 20-unit apartment building = \$200 annual registration + \$400 every three years for inspection of only 4 units (three-year total = \$1,000 or about \$333/year)
- A 150-unit apartment complex = \$1,200 annual registration + \$3,000 every three years for inspection of only 30 units which is 20% of total (three-year total = \$6,600 or \$2,200/year)