

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL 117968

AN ORDINANCE relating to the Pioneer Square Parking and Business Improvement Area; amending Ordinance 124299 to correct a technical error in the levy of special assessments; and ratifying and confirming certain prior acts.

WHEREAS, earlier this year ratepayers representing 60% of the total assessments expressed their support by petition to establish a new and expanded Pioneer Square Parking and Business Improvement Area (PSBIA); and

WHEREAS, on September 23, 2013, the City Council passed Ordinance 124299, which established the new and expanded PSBIA; and

WHEREAS, Section 6 of Ordinance 124299 contained a drafting error in failing to state the legislative intent that the assessment is to be levied upon and collected from the businesses located within the PSBIA's boundaries; and

WHEREAS, the current PSBIA has historically levied the special assessment on businesses within its boundaries since the PSBIA was first created in 1983; and

WHEREAS, the PSBIA Renewal and Expansion Committee intended for the assessment to continue to be levied upon businesses within the PSBIA's new and expanded boundaries; and

WHEREAS, the estimated 2014 PSBIA assessments were calculated for each business, and these estimates were sent to all prospective PSBIA Ratepayers along with PSBIA petitions for their signature, and the notification of intention was sent to each business; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 6 of Ordinance 124299 is amended as follows:

Section 6. Levy of Special Assessments. To finance the programs authorized in Section 5, there is levied upon and shall be collected from ~~((the operators of))~~ businesses ~~((property and mixed-use property (multi-family residential and commercial)))~~ located within the boundaries of

1 the Pioneer Square Parking and Business Improvement Area described in Section 4, a special
2 assessment. Ratepayers will be assessed by the City in annual installments beginning with the
3 base year of the authorization (2014), by applying an annual assessment rate to each ratepayer as
4 described below.

5 A. Records for the assessment calculation are reported by the ratepayer at the time of
6 collection and are subject to verification by the City of Seattle. These rates are called the "Base
7 Year Rates."
8

9 B. Except as provided below, all uses will initially be assessed at \$0.20 x Occupied
10 Square Footage.

11 C. Warehouse/Industrial uses will be assessed at \$0.02 x Occupied Square Footage.

12 D. Parking uses will be assessed at \$30 per stall.

13 E. Group homes/day shelters will be assessed at \$0.01 x Occupied Square Footage.

14 F. Residential uses (other than group homes/day shelters) will not be assessed.

15 G. Governmental uses, public utilities, Union Station, and King Street Station and
16 related parcels (King County parcel numbers 5247801190, 7666202635, 7666204886), will not
17 be assessed.
18

19 H. Ratepayers will be assessed by the City in annual installments beginning with the
20 Base Year Rates (2014). Beginning in January 2015, and each January thereafter, the assessment
21 rate will increase by the lesser of 3% or the change in the Consumer Price Index for All Urban
22 Consumers in Seattle-Tacoma-Bremerton (CPI-U-Seattle) in the previous year, to maintain
23 approximately the same level of services and benefits as in the base year.
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1 **Section 2.** Any act consistent with the authority of this ordinance and prior to its
2 effective date is ratified and confirmed.

3 **Section 3.** This ordinance shall take effect and be in force 30 days after its approval by
4 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
5 shall take effect as provided by Seattle Municipal Code Section 1.04.020.
6

7
8 Passed by the City Council the ____ day of _____, 2013, and
9 signed by me in open session in authentication of its passage this
10
11 ____ day of _____, 2013.

12
13 _____
14 President _____ of the City Council

15
16 Approved by me this ____ day of _____, 2013.

17
18 _____
19 Michael McGinn, Mayor

20
21 Filed by me this ____ day of _____, 2013.

22
23 _____
24 Monica Martinez Simmons, City Clerk

25 (Seal)

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Finance and Administrative Services	Teri Allen/684-5226	Jennifer Devore/615-1328

Legislation Title:

AN ORDINANCE relating to the Pioneer Square Parking and Business Improvement Area; amending Ordinance 124299 to correct a technical error in the levy of special assessments; and ratifying and confirming certain prior acts.

Summary of the Legislation:

This ordinance corrects a technical error in Ordinance 124299, passed by City Council on September 23, 2013, which established the new and expanded Pioneer Square Parking and Business Improvement Area (PSBIA). Section 6 of Ordinance 124299 contained a drafting error in failing to state the legislative intent that the assessment is to be levied upon and collected from the businesses located within the PSBIA boundaries.

Background:

Ordinance 124299 established the new and expanded PSBIA. To pay for PSBIA programs and services, Section 6 of the ordinance mistakenly stated that the assessments would be levied upon operators of business property, multi-family residential property (buildings containing four or more residential units), and mixed-use property (multi-family residential and commercial) within the area. The legislation should have stated that the assessment is to be levied upon the businesses within the PSBIA boundary.

The current PSBIA has historically levied the special assessment on businesses within its boundaries since its creation in 1983. All of the outreach and communication for the new and expanded PSBIA was completed with the businesses within the boundaries. The business data was utilized in the calculation presenting the estimated assessment amount on each petition sent to the ratepayers, and the projected revenue and cash flow totals included in the fiscal note to Ordinance 124299 were predicated on the assumption that this provision was included. The estimated PSBIA revenues and program budgets presented to City Council and to ratepayers assumed this provision would be included in the new and expanded PSBIA ordinance, and therefore this correcting ordinance has no additional financial implications.

X **This legislation does not have any financial implications.**

Other Implications:

- a) **Does the legislation have indirect financial implications, or long-term implications?**
No.
- b) **What is the financial cost of not implementing the legislation?** None to the City.
- c) **Does this legislation affect any departments besides the originating department?**
No.
- d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?** None. The required correction to Ordinance 124299 must be passed by a subsequent ordinance and cannot legally be addressed administratively.
- e) **Is a public hearing required for this legislation?** No.
- f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?** No.
- g) **Does this legislation affect a piece of property?** Yes.
- h) **Other Issues:** None.

List attachments to the fiscal note below: None.



City of Seattle
Office of the Mayor

November 12, 2013

Honorable Sally J. Clark
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Clark:

I am transmitting the attached proposed Council Bill correcting a technical drafting error in Ordinance 124299, which was passed by the City Council on September 23, 2013 in order to establish a new and expanded Pioneer Square Parking and Business Improvement Area (PSBIA) and provide for the levying of special assessments to pay for the PSBIA's programs and services. This legislation will allow the assessments to be levied as originally intended.

Section 6 of Ordinance 124299 mistakenly stated that assessments would be levied upon the operators of business property and mixed-use property (multi-family residential and commercial) located within the boundaries of the PSBIA. The legislation should have read that the assessments would be levied upon businesses located within the boundaries of the PSBIA as has been carried out since the formation of the current PSBIA in 1983. This revised language was assumed in all petitions and communications at the time the new and expanded PSBIA was being formed. All estimated assessment amounts reflected in the petitions that were sent to the ratepayers, as well as projected revenue and cash flow totals that were included in Ordinance 124299's fiscal note, were based on assessments levied in accordance with the revised language in the attached Bill.

Thank you for your consideration of this legislation. Should you have questions, please contact Teri Allen at 684-5226.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael McGinn".

Michael McGinn
Mayor of Seattle

cc: Honorable Members of the Seattle City Council