

ORDINANCE No.

114396

COUNCIL BILL No.

106679

Law Department

The City of

AN ORDINANCE relating to the Pioneer Square Parking and Business Improvement Area, amending Ordinance 111244 to establish a minimum assessment, confirm the Ratepayers Advisory Board, add administrative provisions, and make other ancillary changes.

Honorable President:

Your Committee on

Finance

to which was referred the within Council report that we have considered the same

COMPTROLLER FILE No.

Introduced: APR 11 1988	By: GALLER
Referred: APR 11 1988	To: Law Department
Referred:	To:
Referred:	To:
Reported: MAR 8 1988	Second Reading: MAR 8 1988
Third Reading: MAR 8 1988	Signed: MAR 8 1988
Presented to Mayor: MAR 7 1988	Approved: MAR 17 1988
Returned to City Clerk: MAR 17 1988	Published:
Vetoed by Mayor:	Veto Published:
Passed over Veto:	Veto Sustained:

Pass As Enacted

Vote 8-0

OK

Department

The City of Seattle--Legislative Department

Date Reported
and Adopted

REPORT OF COMMITTEE

President:

Committee on

Finance and Personnel

was referred the within Council Bill No.

106679

we have considered the same and respectfully recommend that the same:

Pass As Engrossed

3/2/39

Vote 8-0

Virginia Galle

Committee Chair

JGB:bjw
3/21/88

14
C.B. 106679

ORDINANCE

114396

AN ORDINANCE relating to the Pioneer Square Parking and Business Improvement Area, amending Ordinance 111244 to establish a minimum assessment, confirm the Ratepayers Advisory Board, add administrative provisions, and make other ancillary changes.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 2 of Ordinance 111244 is amended as follows:

Special Assessments. To finance the activities authorized in Section 3, there is levied and shall be collected a special assessment upon the businesses in the area, determined as follows:

- A. Upon persons engaged within the area in the making of sales at retail as defined in Seattle Municipal Code Section 5.44.030C, a special assessment equal to the gross proceeds of such sales multiplied by the rate of One Dollar per Thousand Dollars; (\$1.00 per \$1,000; one mil or 0.1%) and
- B. Upon all other persons engaged in business in the area, unless exempted in the next paragraph of this Section, a special assessment equal to the gross income of the business multiplied by the rate of Twenty five cents per Thousand Dollars (0.25 per \$1,000 or 0.025%).
- C. The total assessment upon any business within the area shall not exceed \$1,000 per annum.
- D. The minimum assessment upon any business within the area subject to assessment located on or below the

1 ground floor shall be One Hundred Dollars (\$100.00)
2 per annum and the minimum assessment upon all other
3 persons engaged in business in the area subject to
4 assessment shall be Twenty-five Dollars (\$25.00) per
5 annum.

6 Special Assessments shall be made under each applicable
7 classification but any transaction considered in computing the
8 gross proceeds of sales under Subsection A shall not again be
9 considered in calculating the gross income of the business
10 under Subsection B.

11 No special assessments shall be levied upon and collected
12 from:

- 13 (1) Organizations to which a charitable contribution may
14 be made under the United States Internal Revenue
15 Code, 26 USC § 170(c);
- 16 (2) Sponsors of public events, and vendors or
17 entertainers, who engage in business activities in
18 the area for less than 30 days in aggregate per year;
- 19 (3) Persons, who have no business location in the area
20 and generate income or gross receipts from within the
21 area only from making sales to or providing services
22 to businesses located within the area rather than
23 doing business with the public.
- 24 (4) Governmental agencies.

25 Insofar as consistent with this ordinance and RCW
26 Chapter 35.87A, special assessments shall be collected at the
27 same time and in the same manner as the City's Business Tax
28 levied by Seattle Municipal Code ("SMC") Chapter 5.44. The
terms "gross proceeds of sales" and "gross income of the
business" shall have the meanings in SMC § 5.44.010; the

1 determinations of value (SMC § 5.44.060), the exemptions (SMC
2 § 5.44.010-.100), the deductions (SMC § 5.44.110), and the
3 principles of apportionment (SMC § 5.44.070-.078) apply in
4 calculating each amount.

5 Section 2. Section 4 of Ordinance 111244 is amended as
6 follows:

7 ~~((Administration))~~ Program Management. The Director
8 of Community Development (~~((shall initially contract with the
9 Historic Seattle Preservation and Development Authority,))~~) is
10 authorized and requested to contract with one or more persons
11 or an agency recommended by the Ratepayers Advisory Board to
12 manage all or part of the projects and activities undertaken.
13 If the Director contracts with a person or agency recommended
14 by the Advisory Board, the contract shall be classified as an
15 arrangement under SMC Section 20.46.110C. Anyone who
16 contracts with the City to manage district programs or
17 activities shall make a good faith effort to equitably utilize
18 the services of women's and minority business enterprises and
19 shall report on the efforts made to the Director. The
20 mandatory set-asides of SMC Section 20.46.090 shall not
21 apply.

22 After consultation with the ~~((established committee of~~
23 ~~((R))~~ [R]atepayers Advisory Board, the contractor(s) shall
24 submit to the Director of Community Development, on or before
25 March 31 of each year, an annual report of the projects and
26 activities conducted during the previous year and the proposed
27 budget for the ensuing calendar year. The Director's comments
28 relative to the Annual Report and proposed budget shall
accompany the Director's submission to the City Budget
Director, and the Mayor's recommended budget to the City

1 Council. (~~If the Director recommends changes in assessment~~
2 ~~rates, district boundaries, or the contractor during the~~
3 ~~initial contract period, the Director shall consult with the~~
4 ~~established committee of rate payers. The Director of~~
5 ~~Community Development shall then arrange for a public hearing~~
6 ~~thereon before the City Council and publish notice.))~~

7 The Director of Community Development shall provide to the
8 Ratepayer Advisory Board a financial report on the status of
9 ~~((the Business Improvement Area Fund and each))~~ Pioneer Square
10 PBIA account, on a quarterly basis.

11 Section 3. Section 6 of Ordinance 111244 is amended as
12 follows:

13 ~~((Interest on))~~ Delinquent ((Assessments)) Payments.

14 If an assessment has not been paid within thirty (30) days
15 after its due date and the ratepayer had been making prompt
16 payment in the past, the Director shall send a reminder notice
17 and add a five dollars (\$5) processing fee. However, if (a)
18 the assessment is not paid within sixty (60) days after its
19 due date or (b) the assessment was not paid within thirty
20 (30) days and the ratepayer has been late on one of the
21 previous two payments, a delinquency charge shall be added in
22 the amount of ten percent (10%) of the assessment in addition
23 to the processing fee. All ((delinquent special))
24 assessments, which are not paid within sixty (60) days, shall
25 also bear interest from the date payment was due at the rate
26 of twelve percent (12%) per annum. The Director is authorized
27 to bring an action in the name of The City of Seattle to
28 collect any unpaid assessments in the Seattle Municipal Court
as a civil action, or at the discretion of the Director, in
the Seattle District Court.

1 Section 4. There are added to Ordinance 111244 new
2 sections 11, 12, 13, 14, and 15 as follows:

3 Section 11. Ratepayers Advisory Board

4 The Director of the Department of Community Development
5 shall establish or confirm an established Pioneer Square
6 Business Improvement Area Ratepayers Advisory Board (the
7 "Board") comprised of ratepayers from the area. Elections
8 to the ratepayers board shall be through an annual election
9 process contained in the Board's bylaws. The bylaws in
10 Attachment "I" apply until amended. The Board shall include
11 members representative of the classifications subject to
12 assessment and geographic diversity of the areas. If deemed
13 necessary, the Director of the Department of Community
14 Development may make supplemental appointments to the Board.
15 The Board shall develop and promulgate bylaws or rules to
16 guide the operation of the Ratepayers Advisory Board.

17 The Ratepayers Advisory Board shall be responsible for
18 providing advice and consultation to the Department of
19 Community Development and any person or agency hired to manage
20 the day-to-day operations of the Business Improvement Area.
21 The Ratepayers Advisory Board will meet at least once a month;
22 approve an annual work program and budget on or before
23 March 1st of each year and review it quarterly; prepare and
24 distribute a quarterly newsletter to ratepayers; address and
25 discuss ratepayer concerns and questions regarding the BIA
26 district and program; review all reports submitted to the
27 Department of Community Development by the contract manager;
28 and call and organize an annual ratepayers meeting and board
election.

Section 12. Administration. The Director of Community
Development shall administer the program for the City with

1 authority to:

- 2 (a) Classify ratepayers within the types of use under Section
3 2; and resolve ambiguities in the application of rates.
- 4 (b) Collect the special assessments; refund special
5 assessments when overpaid or paid for the same area by
6 more than one ratepayer; and extend the deadline for
7 payment and/or waive delinquency charges and interest
8 whenever the delinquency is a result of as failure by the
9 City to provide a statement of the amount due or
10 non-payment results from extenuating circumstances beyond
11 the ratepayer's control, such as a casualty loss causing
12 premature closure of the business or bankruptcy.
- 13 (c) Determine and apply the interest rate for late payments
14 contemplated by Section 6.
- 15 (d) Establish a schedule of proportionate payments for new
16 ratepayers first becoming subject to the assessment.
- 17 (e) Subject to advice and direction of the Ratepayers Advisory
18 Board, execute an annual program management contract with
19 an individual or agency to implement the work program of
20 the Ratepayers Advisory Board.
- 21 (f) After consultation and with the advice of the Ratepayers
22 Advisory Board, take such other actions as necessary and
23 appropriate to carry out the program with special
24 assessments; and
- 25 (g) Under the City Administrative Code (SMC Chapter 3.01)
26 adopt, publish, and enforce rules, consistent with this
27 ordinance, for carrying out its provisions.
- 28 (h) Reduce or waive the minimum assessment for a business,
after consultation and with the advice of the Ratepayers
Advisory Board, when the ratepayer can substantiate
economic hardship as defined by rule.

1 Section 13. Rate Changes. Any change in the assessment
2 rate shall only be made by ordinance and as authorized in RCW
3 35.87A.130-.140. No increase shall occur in the assessment
4 rate unless recommended by the Ratepayers Advisory Board.

5 To prevent reduction in services due to inflation in
6 prices the City may from time to time, upon the
7 recommendation of the Ratepayers Advisory Board and by
8 ordinance, increase or reduce assessment rates, to reflect
9 changes in the purchasing power of money, as measured by
10 Consumer Price Index for Urban Wage Earners and Clerical
11 Workers (CPI-W) published by the United States, Department of
12 Labor, Bureau of Labor Statistics or a suitable comparable
13 index recommended by the Ratepayers Advisory Board.

14 Section 14. Notices. Notices of assessment, installment
15 payment, or delinquency, and all other notices contemplated by
16 this ordinance may be sent by ordinary mail or delivered by the
17 City to the address shown on the records of the Director of
18 Community Development, and, if no address is shown there, to
19 the address shown on the records of the City maintained for
20 business or utility tax purposes under Seattle Municipal Code
21 Chapters 5.44 and 5.48. Failure of the ratepayer to receive
22 any mailed notice shall not release the ratepayer from the
23 duty to pay the assessment, or except as authorized by Section
24 9(b), from payment on the due date and any delinquency
25 charges.

26 Section 15. Disputes. Any ratepayer, aggrieved by the
27 amount of an assessment or delinquency charge, may, on
28 request, obtain a meeting with the Director or senior
assistant, designed by the Director to act on his or her
behalf; and, if not satisfied, the ratepayer may appeal the

1 matter to the City's Hearing Examiner in the manner provided
2 for a contested case under the City's Administrative Code,
3 Seattle Municipal Code Chapter 3.02.
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(To be used for all Ordinances except Emergency.)

Section 16... This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 6th day of March, 1989, and signed by me in open session in authentication of its passage this 6th day of March, 1989.

President of the City Council.

Approved by me this 17th day of March, 1989.
Charles Poyner
Mayor.

Filed by me this 17th day of March, 1989.

Howard J. Brooks
Attest: City Comptroller and City Clerk.

(SEAL)

Published _____

Margaret Carter
By: Deputy Clerk.

1 Section 4. There are added to Ordinance 111244 new
2 sections 11, 12, 13, 14, and 15 as follows:

3 Section 11. Ratepayers Advisory Board

4 The Director of the Department of Community Development
5 shall establish or confirm an established Pioneer Square
6 Business Improvement Area Ratepayers Advisory Board (the
7 "Board") comprised of ratepayers from the area. Nominations
8 to the ratepayers board shall be through an election process
9 contained in the Board's bylaws. The bylaws in Attachment "I"
10 apply until amended. The Board shall include members
11 representative of the classifications subject to assessment,
12 and geographic diversity of the areas. If deemed necessary,
13 the Director of the Department of Community Development may
14 make supplemental appointments to the Board. The Board shall
15 develop and promulgate bylaws or rules to guide the operation
16 of the Ratepayers Advisory Board.

17 The Ratepayers Advisory Board shall be responsible for
18 providing advice and consultation to the Department of
19 Community Development and any person or agency hired to manage
20 the day-to-day operations of the Business Improvement Area.
21 The Ratepayers Advisory Board will meet at least once a month;
22 approve an annual work program and budget on or before
23 March 1st of each year and review it quarterly; prepare and
24 distribute a quarterly newsletter to ratepayers; address and
25 discuss ratepayer concerns and questions regarding the BIA
26 district and program; review all reports submitted to the
27 Department of Community Development by the contract manager;
28 and call and organize an annual ratepayers meeting.

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Development shall administer the program for the City with
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2 2; and resolve ambiguities in the application of rates.
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11 premature closure of the business or bankruptcy.
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15 ratepayers first becoming subject to the assessment.
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17 Board, execute an annual program management contract with
18 an individual or agency to implement the work program of
19 the Ratepayers Advisory Board.
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21 Advisory Board, take such other actions as necessary and
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22 Section 15. Disputes. Any ratepayer, aggrieved by the
23 amount of an assessment or delinquency charge, may, on
24 request, obtain a meeting with the Director or senior
25 assistant, designed by the Director to act on his or her
26 behalf; and, if not satisfied, the ratepayer may appeal the
27 matter to the City's Hearing Examiner in the manner provided
28 for a contested case under the City's Administrative Code,
Seattle Municipal Code Chapter 3.02.

Finance and Personnel Committee
C.B. 106679

Background

The Pioneer Square Parking and Business Improvement Area was established by ordinance in 1983. Subsequently PBIAs with somewhat different provisions were established for the Downtown Retail Core, West Seattle and Capitol Hill business districts.

Council Bill 106679 proposes amendments to the Pioneer Square PBIA, as recommended by the Ratepayers Advisory Board, and makes it more consistent with other PBIAs. (The matrix following this memo outlines these changes.)

This issue was first before the Finance and Personnel Committee for briefing and public hearing in June 1988. The verbal and written record includes 10 individuals in opposition, 13 in support, and 10 requesting information regarding financial accountability. There are approximately 700 businesses in the PBIA boundaries. Following the public hearing Councilmembers directed that annual financial information since 1983 be made available to all Ratepayers. This has been done by direct mail from the City Council.

Proposed Changes

Most of the changes proposed by the Ratepayers Advisory Board are technical in nature and make the basic elements of the Pioneer Square ordinance the same as for other BIAs in the City. Annual assessments remain the same: retailers \$1.00/\$1,000 gross; all others \$0.25/\$1,000 gross; maximum assessment \$1,000/ year. The Board is also recommending a minimum annual assessment of \$100 for businesses at street level and below, \$25 for others. All other BIAs have a minimum assessment, the one proposed for the Pioneer Square area is the lowest in the City. The Board is also proposing a due process system for notification and collection of delinquent payments.

Note: In the months since this bill was introduced the Advisory Board and DCD suggested the addition of some clarifying language regarding annual elections, and the inclusion of language to allow the reduction or waiver of the minimum assessment where economic hardship can be substantiated (pg. 6, item h). This suggestion was agreed to by the Finance and Personnel Committee.

Committee Recommendation: PASS AS ENGROSSED

Finance and Personnel Committee
C.B. 106679

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Proposed Changes

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Pass As Engrossed
2/2/89

PROPOSED PIONEER SQUARE PBIA ORDINANCE AMENDMENT

RECEIVED

FEB 02 1989

VIRGINIA GALLE
SEATTLE CITY COUNCIL MEMBER

PROPOSED ORDINANCE

PRESENT ORDINANCE (111244)

<u>Section 1:</u> Boundaries	See Map	No change
<u>Section 2:</u> Assessments	Retailers \$1.00/\$1,000 All others \$0.25/\$1,000 Maximum \$1,000/year Minimum -none-	No change No change No change Minimum: \$100/year first floor and below \$25/year all others (minimum assessment conforms to other PBIA assessments)
<u>Section 3:</u> Use of Revenues	Authorized by RCW 35.87A	No change
<u>Section 4:</u> Administration	Initial Manager: Historic Seattle	DCD contracts with person or agency recommended by Ratepayers Board.
<u>Section 5:</u> Collections	DCD bills assessments Treasurer holds account funds	No change
<u>Section 6:</u> Delinquency	12% interest	12% interest \$5.00 processing fee 30 days overdue 10% delinquency charge 60 days overdue (processing and delinquency conform to other PBIA procedures).
<u>Section 7:</u> Interim Appropriation	Not current	No change
<u>Section 8:</u> Commencement of Assessments	09/01/83	No change
<u>Section 9:</u> Ratification	Not current	No change
<u>Section 10:</u> Effective Date	09/01/83	No change

NEW SECTIONS (PROCEDURES CONFORM TO EXISTING PROCEDURES OF OTHER PBIA ORDINANCES)

Section 11:
Ratepayer Advisory Board

Establishes process for appointment of Ratepayer Board. By-laws are required. Responsibility of board set out, including: monthly meetings, annual work program and budget approval, quarterly newsletter, annual ratepayer meeting and act as a forum to address and discuss ratepayer concerns and questions.

Section 12:
Administration

DCD authorized to classify ratepayers, collect assessments including delinquencies, set interest rates, contract to implement the approved work program and establish rules by administrative code.

Section 13:
Rate Changes

All rate changes continue to require adoption by ordinance and must be recommended by the Ratepayer Board.

Section 14:
Notices

Notices may be sent by ordinary mail.

Section 15:
Disputes

Appeal to Hearing Examiner after review by DCD Director on assessments or delinquency charges.

JC:nem

89-018
01.31.89

PIONEER SQUARE B.I.A. ADVISORY BOARD
BYLAWS

1. The Objective of the Pioneer Square BIA Advisory Board (Board) is to represent ratepayers in improving the business environment of the Pioneer Square BIA Area by evaluating the needs of the community and advising the contracting agency on how those needs should be met through BIA programs, expenditure of BIA funds, volunteer assistance and liaison with the City of Seattle.
2. Board Membership: The Board shall consist of no fewer than five (5) and no more than 10 persons. All members shall be BIA ratepayers or employees of ratepayers. Membership shall, to the maximum extent possible, represent the economic and geographic diversity of the ratepayer constituency. The Director of the Seattle Department of Community Development may appoint additional members to the Board to ensure a broad representation of ratepayers is provided.
3. Term: The term of each member shall be two (2) years. Members may be appointed to successive terms. To maintain continuity and diversity of representation, one year terms may be used.
4. Board Member Selection: A nominating committee, consisting of a member of the Board and two other ratepayers shall be formed, annually. Members of the committee shall be selected by the Board. At least 30 days prior to the annual meeting the nominating committee shall have distributed a written request to all ratepayers for nominations to the Board. Nominations will also be solicited from established community organizations. Nominations shall be accepted in writing until one (1) week before the annual meeting, at which time nominations shall be closed. In order to be eligible to be listed as a nominee, the ratepayer must be current with assessment payments. Elections shall be held at the annual meeting of the ratepayers. The Board shall establish procedures for the election.
5. Vacancies: The Board may nominate persons to fill vacancies. In addition, BIA ratepayers may propose or nominate persons to fill vacancies. The Board shall be responsible for selecting ratepayers to fill all unexpired terms of members of the Board.
6. Attendance: Any member who has two (2) unexcused absences from scheduled meetings may be removed by a vote of the Board.
7. Officers: The Board shall elect its own Chairperson, Vice Chairperson and Recorder during the first scheduled meeting in January.

8. Record of Meetings: Minutes of each meeting shall be prepared and approved. The contracting agency is responsible for typing the minutes and maintaining the "official record" of BIA Advisory Board activities.
9. Meetings: The Board shall meet at least once per month at a prescribed place and time.
10. Budget Review: The Board shall approve a programmatic budget for application of BIA funds no later than March 1 of each year.
11. Ratepayer Communications: The Board shall:
 - A) Prepare and distribute a quarterly newsletter in concert with the contracting agency informing ratepayers of program projects, budgets and accomplishments, BIA Board membership, vacancies, and other pertinent information.
 - B) Call, give notice and organize a public meeting of BIA ratepayers, to be held annually in March.
12. Program and Financial Reviews: The Board shall review at least quarterly the annual work program and budget.
13. Board Staff: The Board shall have concurrence in the contracting agency selection of a staff liaison person and assignment of staff liaison duties.
14. Bylaw Purpose: The purpose of the Bylaws is to provide a systematic procedure for the operations of the Board and may be amended at any time by a majority vote of the Board.

Revised and amended 2/7/89

F&ED
44.9

NOTE: These bylaws were revised and amended February 7, 1989. The underlined portions are changes from the previous bylaws approved on February 20, 1986. References to the Advisory Committee have been changed to Board. References to Historic Seattle have been changed to the contracting agency. Two new sections have been added. Section 4 establishes a nomination and election process for Board members. Section 13 clarifies the relationship of Board staff, the Board and the contracting agency.

REQUEST FOR LEGISLATION

1. Statement of Program Objectives

This legislation would amend Ordinance 111244 which established the Pioneer Square Business Improvement Area. The changes to the ordinance would establish a minimum assessment, confirm the existing Ratepayer's Advisory Board, add administrative provisions, and make other ancillary changes.

These changes would bring Ordinance 111244 into conformity with the other ordinances establishing the Downtown Retail Core PBIA, the West Seattle PBIA, and the Broadway PBIA.

2. Dollar Amount Requested

No additional City funding is requested. However, if collection of the PBIA minimum assessments is successful, an estimated \$10,000 per year will be added to the PBIA.

3. Fund Source

The additional money generated will be deposited into the Pioneer Square PBIA Fund account with the City Comptroller.

4. Program Commitment

The passage of this ordinance will constitute our continued commitment to the Pioneer Square PBIA.

5. New Positions

None requested.

6. Facilities or equipment required.

No new facilities or equipment is requested.

7. Program Evaluation Criteria

DCD has contracted with Historic Seattle PDA to manage the Pioneer Square PBIA program. Part of the contract requires an annual review and report of the program to the ratepayers.

8. Alternative Funding

There is no appropriate funding alternative available.

City of Seattle

Executive Department-Office of Management and Budget

James P. Ritch, Director
Charles Royer, Mayor

March 30, 1988



#9874

The Honorable Douglas Jewett
City Attorney
City of Seattle

*Okay
DJ*

Dear Mr. Jewett:

The Mayor is proposing to the City Council that the enclosed legislation be adopted.

REQUESTING
DEPARTMENT: Community Development

SUBJECT: An Ordinance relating to the Pioneer Square Parking and Business Improvement Area, amending Ordinance 111244 to establish a minimum assessment, confirm the Ratepayers Advisory Board, add administrative provisions, and make other ancillary changes.

Pursuant to the City Council's S.O.P. 100-014, the Executive Department is forwarding this request for legislation to your office for review and drafting.

After reviewing this request and any necessary redrafting of the enclosed legislation, return the legislation to OMB. Any specific questions regarding the legislation can be directed to Sherry Johnson, 684-8080.

Sincerely,

Charles Royer
Mayor

by

James P. Ritch

for JAMES P. RITCH
Budget Director

JR/sj/fa

Enclosure

cc: Director, Community Development

Seattle Department of Community Development



David Moseley, Director
Charles Royer, Mayor

March 23, 1988

RECEIVED MAR 25 1988 -OMB

838588

The Honorable Sam Smith, President
Seattle City Council
Municipal Building, Room 1100
600 Fourth Avenue
Seattle, Washington 98104

VIA: Jim Ritch, Director, OMB

re: Amendment to Pioneer Square PBIA Ordinance

Dear Council President Smith:

The Pioneer Square Business Improvement Area Ratepayer's Advisory Board has requested that we prepare amendments to Ordinance 111244 which established the City's first Parking and Business Improvement Area (PBIA) in September 1983. The amendments which they have proposed and we support update the ordinance by establishing minimum assessments where none now exist, confirming the Ratepayer's Advisory Board, adding administrative provisions, and making other ancillary changes.

The Pioneer Square PBIA program has been in operation for the last four years. The annual budget varies and ranges from \$55,000 to \$65,000 per annum depending on the amount of revenues generated through the collection of the special assessments. In the past, the funds have been used to finance a variety of programs and services designed to improve the economic viability of Pioneer Square. The programs and services funded have included holiday season decorations; musical performances in Occidental Park; hanging flower baskets; crime prevention workshops; litter control; and advertising. There is a core group of ratepayers who have

volunteered hundreds of hours on the Ratepayer's Advisory Board to ensure the success of this program. Over the past four years, DCD has contracted with Historic Seattle PDA to provide program management services to the Ratepayer's Advisory Board.

The most prominent changes to Ordinance 111244 are: 1) setting a minimum assessment; 2) adding and changing language in the ordinance to update it and provide consistency with the other PBIA ordinances; and 3) confirming the existing Ratepayer's Advisory Board. The following explains these changes in more detail.

Minimum Assessment

The board is requesting the establishment of a minimum assessment of \$100 for any retail business located on the ground floor and \$25 for all other businesses. The existing ordinance does not have any provisions for minimum assessments. The ordinances establishing the Downtown Retail Core PBIA, the Broadway PBIA, and West Seattle PBIA all have provisions for minimum assessments ranging from \$125 to \$250.

We estimate that approximately 300 of the 700 businesses in the area would be affected by the establishment of a minimum assessment. Many of these businesses currently pay from less than \$1.00 per quarter to \$20 per quarter.

The rationale for the two separate minimums is that ground floor retail businesses receive greater benefit from the PBIA programs and services that are provided. We estimate that by applying a minimum assessment, the PBIA program will realize a net increase of \$10,000 per year.

Ordinance Update

A number of ancillary changes are proposed to Ordinance 111244 in order to ensure that Ordinance 111244 is consistent with the other PBIA ordinances. Amendments are proposed for Section 4 which deals with program management and Section 6 which deals with delinquent payments. New sections are being added that will address the areas of administration, rate changes, notices and disputes.

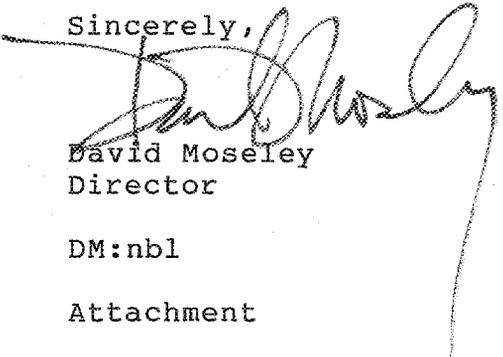
Ratepayer's Advisory Board

A new section is added which will confirm the existing Ratepayer's Advisory Board. The section also outlines the responsibilities of the Ratepayer's Advisory Board.

Sam Smith
March 23, 1988
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In closing, we request that a hearing be held by the City Council to consider the proposed changes for Ordinance 111244. If you should have questions, please contact Norris Bacho at 684-0224.

Sincerely,



David Moseley
Director

DM:nbl

Attachment

TIME AND DATE STAMP

SPONSORSHIP

THE ATTACHED DOCUMENT IS SPONSORED FOR FILING WITH THE CITY COUNCIL BY
THE MEMBER(S) OF THE CITY COUNCIL WHOSE SIGNATURE(S) ARE SHOWN BELOW:

Virginia Gale

_____	_____
_____	_____
_____	_____
_____	_____

FOR CITY COUNCIL PRESIDENT USE ONLY

COMMITTEE(S) REFERRED TO:

PRESIDENT'S SIGNATURE

levied by Seattle Municipal Code ("SMC") Chapter 5.44. The

City of Seattle

ORDINANCE 111436

AN ORDINANCE relating to the Pioneer Square Parking and Business Improvement Area, amending Ordinance 111244 to establish a minimum assessment, confirm the Ratepayers Advisory Board, add administrative provisions, and make other ancillary changes.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 2 of Ordinance 111244 is amended as follows:

Special Assessments. To finance the activities authorized in Section 3, there is levied and shall be collected a special assessment upon the businesses in the area, determined as follows:

- A. Upon persons engaged within the area in the making of sales at retail as defined in Seattle Municipal Code Section 5.44.030C, a special assessment equal to the gross proceeds of such sales multiplied by the rate of One Dollar per Thousand Dollars; (\$1.00 per \$1,000; one mil or 0.1%) and
- B. Upon all other persons engaged in business in the area, unless exempted in the next paragraph of this Section, a special assessment equal to the gross income of the business multiplied by the rate of Twenty five cents per Thousand Dollars (0.25 per \$1,000 or 0.025%).
- C. The total assessment upon any business within the area shall not exceed \$1,000 per annum.
- D. The minimum assessment upon any business within the

the assessment is not paid within sixty (60) days after its due date or (b) the assessment was not paid within thirty (30) days and the ratepayer has been late on one of the previous two payments, a delinquency charge shall be added in the amount of ten percent (10%) of the assessment in addition to the processing fee. All (~~delinquent special~~) assessments, which are not paid within sixty (60) days, shall also bear interest from the date payment was due at the rate of twelve percent (12%) per annum. The Director is authorized to bring an action in the name of The City of Seattle to collect any unpaid assessments in the Seattle Municipal Court as a civil action, or at the discretion of the Director, in the Seattle District Court.

Section 4. There are added to Ordinance 111244 new sections 11, 12, 13, 14, and 15 as follows:

Section 11. Ratepayers Advisory Board

The Director of the Department of Community Development shall establish or confirm an established Pioneer Square Business Improvement Area Ratepayers Advisory Board (the "Board") comprised of ratepayers from the area. Elections to the ratepayers board shall be through an annual election process contained in the Board's bylaws. The bylaws in Attachment "1" apply until amended. The Board shall include members representative of the classifications subject to assessment and geographic diversity of the areas. If deemed necessary, the Director of the Department of Community Development may make supplemental appointments to the Board.