

Ordinance No. 119541

Council Bill No. 112704

Establishing a Downtown Parking and Business Improvement Area; levying special assessments upon the businesses, multifamily residential or mixed-use projects within the area; providing for the deposit of revenues in a special account and expenditures therefrom; providing for collection of and penalties for delinquencies; providing for the establishment of a Ratepayers Advisory Board, and providing for an implementing agreement with a program manager.

CF No. _____

Date Introduced: JUN 1 - 1999		
Date 1st Referred: JUN 1 - 1999	To: (committee) Business, Economic & Community Development Committee	
Date Re - Referred:	To: (committee)	
Date Re - Referred:	To: (committee)	
Date of Final Passage: 7-19-99	Full Council Vote: 9-0	
Date Presented to Mayor: 7-19-99	Date Approved:	
Date Returned to City Clerk: JUL 26 1999	Date Published:	T.O. <input type="checkbox"/> F.T. <input checked="" type="checkbox"/> 8 pages
Date Vetoes by Mayor:	Date Veto Published:	
Date Passed Over Veto:	Veto Sustained:	

The City of Seattle - Legislative Department
Council Bill/Ordinance sponsored by: _____

Committee Action

Business, Economic & Community Development

Do Pass As Amended, 3-0

7-19-99 Full Council: Pass

This file is complete and ready for presentation to Full Council.

Law Department

Law Dept. Review

OMP
Review

City Clerk
Review


122

The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: DRAGO
Councilmember

Committee Action:

Business, Economic & Community Development Comm.

Do Pass As Amended, 3-0 

7-19-99 Full Council: Passed As Amended
9-0

This file is complete and ready for presentation to Full Council. Committee: _____
(initial/date)

Law Department

Law Dept. Review

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Business, Economic & Community Development Committee
T.O. <input type="checkbox"/>
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8 pages

ORDINANCE 119541

AN ORDINANCE establishing a Downtown Parking and Business Improvement Area; levying special assessments upon the businesses, multifamily residential or mixed-use projects within the area; providing for the deposit of revenues in a special account and expenditures therefrom; providing for collection of and penalties for delinquencies; providing for the establishment of a Ratepayers Advisory Board, and providing for an implementing agreement with a program manager.

WHEREAS, the businesses, multifamily residential or mixed-use projects located within the area and subject to sixty percent or more of the special assessments levied by this ordinance filed a petition with The City of Seattle to establish a Parking and Business Improvement Area pursuant to RCW 35.87A, which is filed in C.F. 303072; and,

WHEREAS, the City adopted Resolution 29966, initiating a parking and business improvement area via the resolution method instead of the petition method as provided for by RCW 35.87A.030; and,

WHEREAS, pursuant to RCW 35.87A.040, the City on June 7, 1999 adopted Resolution 29965, entitled "A RESOLUTION of intention to establish a Downtown Parking and Business Improvement Area, and fixing a date and place for a hearing thereon," and declaring its intent to establish the same; and,

WHEREAS, the Downtown Business Improvement Area ("BIA") established herein is for the purpose of enhancing conditions for the operation of those businesses, multifamily residential or mixed-use projects; and the budget of the BIA shall be dedicated to activities in addition to basic services provided by The City of Seattle, in accordance with Resolution 29706 and the non-binding Statement of Principles signed by the Mayor and the Chair of the Downtown Seattle Association; and,

WHEREAS, as provided by Resolution 29965, published in the Daily Journal of Commerce on June 11, 1999, the City Council, through its Business, Economic, and Community Development Committee held a public hearing thereon on June 30, 1999, at and after 5:30 p.m. in the City Council Chambers, 11th Floor, Municipal Building, 600 4th Avenue, Seattle, Washington;

Now, Therefore, **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. Area Established. As authorized by Chapter 35.87A RCW, there is hereby established a Downtown Parking and Business Improvement Area ("Downtown Business Improvement Area" or "DBIA") within the following boundaries and as shown on the map attached as Exhibit "A" (when a street or alley is named, the area boundary is the centerline of the right-of-way including vacated portions unless otherwise specified in the description):

From the center of the intersection of 4th Avenue and Denny Way, then south therefrom along 4th Avenue to Cedar Street, then east therefrom to the alley between 4th and 5th Avenues, then south therefrom to Vine Street, then east therefrom to 5th Avenue, then south therefrom to Lenora Street, then west therefrom to the Alaskan Way Viaduct, then northwest under the

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1 Alaskan Way Viaduct to Elliott Avenue, then north therefrom to Bay Street, then west therefrom
2 to the outer harbor line, then south therefrom (including from Pier 71 to Pier 47) to the
3 intersection of South Jackson Street and Alaskan Way, then south therefrom to South King
4 Street, then east therefrom to 4th Avenue South, then north therefrom to South Washington
5 Street, then east therefrom to 6th Avenue South, then north therefrom to the western edge of
6 Interstate Highway 5, then north therefrom along the eastern side of 6th Avenue to Spring Street,
7 then northeast therefrom between the eastern boundary of Naramore Fountain Park and the
8 western boundary of Interstate 5, to Freeway Park's southern boundary on Seneca Street, then
9 east therefrom inside Freeway Park across Interstate 5 to the park's eastern boundary at Hubbell
10 Place, then northeast therefrom inside the park to University Street, then east therefrom beneath
11 8th Avenue one-half block to 900 University Street, then north therefrom along the west side of
12 900 University Street, then east therefrom inside the park to 9th Avenue, then north therefrom on
13 9th to the intersection of Union Street and Hubbell Place, then northeast therefrom on Hubbell
14 Place to Pike Street, then west therefrom to the western border of Interstate 5, then north
15 therefrom to Denny Way, then west therefrom to the point of beginning.

16 In case of a conflict between the description of the area and the map, the description shall control.

17 Section 2. Programs. Special Assessment revenues shall be used for the following component programs.

18 A. Public Safety.

19 The public safety program will identify, report, and act as problem-solvers on public safety issues, in
20 coordination with the Police Department, mental health and substance abuse programs, and human service
21 agencies.

22 B. Maintenance. The maintenance program will provide sidewalk sweeping and graffiti removal, special
23 projects to clean up problem areas, and monitoring and problem solving for alley maintenance and trash
24 removal problems, and possible routine maintenance of automated public
restrooms.

C. Marketing and Public Relations.

The marketing and public relations program will promote a positive image of the assessment area. The
program will also track shifts in Downtown's economy, research new opportunities and provide
information on impacts of economic changes.

D. Reserve Fund

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1 A reserve fund will be maintained in order to compensate for shortfalls in assessment collections and to
2 provide funding for unanticipated expenses and new opportunities.

3 The listing of services is illustrative and not exclusive. All such activities are supplemental to street
4 maintenance and law enforcement provided by the City and are not intended to displace any services regularly
5 provided by municipal government.

6 The proposed budget for this program is as follows:

5-YEAR BUDGET PLAN FOR DOWNTOWN BUSINESS IMPROVEMENT AREA

	Year 1	Year 2	Year 3	Year 4	Year 5	Totals
7 Public Safety	\$1,036,703	\$1,067,804	\$1,099,838	\$1,132,833	\$1,166,818	\$ 5,503,996
8 Maintenance	672,456	692,630	713,409	734,811	756,855	3,570,161
9 Marketing	420,285	432,894	445,880	459,257	473,034	2,231,350
10 R & D	168,114	173,157	178,352	183,703	189,214	892,540
11 Reserve Fund	140,095	144,298	148,627	153,086	157,678	743,784
12 Management	364,247	375,174	386,430	398,023	409,963	1,933,837
13 Totals	\$2,801,900	\$2,885,957	\$2,972,536	\$3,061,713	\$3,153,562	\$14,875,668

14 This budget plan shows proposed expenditures based upon assessments collected from ratepayers.

15 Section 3. Levy of Special Assessments. To finance the programs authorized in Section 2, there is
16 levied upon and shall be collected from the businesses, multifamily residential properties (buildings containing
17 more than four residential units), and mixed-use properties (buildings with both multi-family residential and
18 commercial units) (collectively, "Ratepayers") in the Downtown Business Improvement Area described in
19 Section 1, a Five-Year special assessment in an amount not to exceed Fourteen Million, Eight Hundred Seventy
20 Five Thousand, Six Hundred Sixty-Eight Dollars (\$14,875,668.00), which amount shall be collected
21 semiannually. The total Assessment is measured by the type of use and rate of assessment in the following table,
22 subject to the calculations and limitations in this Section:

23 Five-Year Assessment = (Land Square Footage x \$1.5379) + (Total 1997 Assessed Value of Site (Property +
24 Improvements)/\$1,000 x \$1.5927). Records for the assessment calculation and the Ratepayer are based on
information provided by the King County Assessor's office for the year 1997, its database, and by on-site

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1 surveys. Modifications or limitations to these assessments are described below. No five-year assessment for any
2 individual parcel shall exceed a total amount equal to $9.2909 \times (\text{Total Assessed Value}/\$1,000)$. This rate is
3 called the "Benefit Ceiling Rate". For the following special classifications of Ratepayers a Special Benefit
4 Ceiling Rate shall be applied as set forth below to determine the rate most reflective of benefit for that particular
5 class of Ratepayer:

- | | | |
|----|---|---|
| 6 | 1. Commercial Mixed-Use | \$ 9.29/\$ 1,000 of total assessed value |
| 7 | 2. Surface Parking | \$ 5.31/\$ 1,000 of total assessed value |
| 8 | 3. Multi-Family Residential
Apartments: the lesser of: | \$ 3.45/\$ 1,000 of total assessed value or
\$ 345.09 per unit |
| 9 | 4. Multi-Family Residential
Condominiums: the lesser of: | \$ 1.43/\$ 1,000 of total assessed value or
\$ 345.09 per unit |
| 10 | 5. Industrial Warehouse | \$ 1.8581/\$ 1,000 of total assessed value |
| 11 | 6. Multi-Family Residential Apartments
possessing a rent restriction covenant: the lesser of | \$.93/\$ 1,000 of total assessed value or
\$ 39.82 per unit |
| 12 | 7. Hotel: the lesser of: | \$ 7.95/\$ 1,000 of total assessed value or
\$ 292.00 a room |
| 13 | 8. Non Residential (Owned by a Non-Profit) | \$ 1.86/\$ 1,000 of total assessed value |
| 14 | 9. Piers | \$.32 per square foot of pier area. |

15
16 Ratepayers shall pay the lesser of the Benefit Ceiling Rate or the Special Benefit Ceiling Rate, as the case may
17 be, with the exception of piers, which shall pay the Special Benefit Ceiling Rate. Property owned by
18 governmental entities or public utilities, and land that is vacant, shall not be assessed. All businesses,
19 multifamily residential or multi-use projects within the area shall be subject to the provisions of this special
20 assessment as authorized by RCW 35.87A.010.

21 Section 4. Rate Changes. Changes in the assessment rate shall only be made by ordinance and as
22 authorized in RCW 35.87A.140.
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1 Section 5. Deposit of Revenues. There is hereby established in the City Treasury's Business
2 Improvement Area Fund, a separate subaccount designated the Downtown Business Improvement Area Account
3 (called "the Account"). The following monies shall be deposited in the Account:

- 4 (a) All revenues from special assessments levied under this ordinance;
5 (b) All income to the City from public events financed with special assessments;
6 (c) Gifts and donations for the Account;
7 (d) Interest and all other income from the investment of Account deposits;
8 (e) Restitution moneys for expenditures made from the Account and reimbursements due to the Account.

9 Section 6. Collection Schedule. Special assessments shall be collected on a semi-annual basis. The
10 Director, Executive Services Department, or the Director's designee ("Director") may change the billing
11 frequency by directive. A copy of the directive shall be mailed to all Ratepayers not less than 90 days before the
12 new billing cycle is to take effect.

13 Section 7. Delinquent Payments. If an assessment has not been paid within thirty (30) days after its due
14 date, the Director shall send a reminder notice and add a Five Dollar (\$5.00) processing fee. If the assessment is
15 not paid within sixty (60) days after its due date, a delinquency charge shall be added in the amount of ten
16 percent (10%) of the assessment in addition to an additional Five Dollar (\$5.00) processing fee. All assessments
17 that are not paid within sixty (60) days of the due date shall also bear interest from the due date at twelve percent
18 (12%) per annum. The Director is authorized to bring an action to collect any unpaid assessments in any court of
19 competent jurisdiction in King County.

20 Section 8. Notices. Notices of assessment, installment payments, or delinquency, and all other notices
21 contemplated by this ordinance may be sent by ordinary mail or delivered by the City to the address shown on
22 the records of the Director, and, if no address is shown there, to the address shown on the records of the County
23 Assessor. Failure of the Ratepayer to receive any mailed notice shall not release the Ratepayer from the duty to
24 pay the assessment and any interest and delinquency charges on the due date.

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1 Section 9. Disputes. Any Ratepayer aggrieved by the amount of an assessment or delinquency charge
2 may on request obtain a meeting with the Director or the Director's designee. If not satisfied, the Ratepayer may
3 appeal the matter to the City's Hearing Examiner in the manner provided for a contested case under Chapter 3.02
4 of the Seattle Municipal Code. The Ratepayer has the burden of proof to show that the assessment or
5 delinquency fee is incorrect.

6 Section 10. Expenditures. Expenditures from the Account shall be made upon vouchers drawn by the
7 Director and shall be used exclusively for the statutory purposes each as more fully defined in Section 2.

8 Section 11. Ratepayers Advisory Board. The Director shall appoint an interim Ratepayers Advisory
9 Board comprised of Ratepayers from the Area within thirty days of the effective date of this ordinance. The
10 Director shall solicit recommendations from the Ratepayers, and shall appoint the interim board from that list.
11 The interim Ratepayers Advisory Board will recommend a permanent Ratepayers Advisory Board (the "Board")
12 within ninety days of the effective date of this ordinance. The composition of the Board shall be representative
13 of both the entire geographic area of the District and representative of the special classifications in Section 2.

14 The Director may appoint additional members to the Ratepayers Advisory Board to ensure that a broad
15 representation of Ratepayers is provided. The additional members so appointed shall not exceed one-third (1/3)
16 of the entire membership of the Board.

17 The Ratepayers Advisory Board shall be responsible for adopting bylaws and policy guidelines,
18 providing advice and consultation to the Department initially, and to any individual or agency hired to manage
19 the day-to-day operations of the Business Improvement Area program, on all matters related to the operation of
20 the program.

21 The Ratepayers Advisory Board shall: meet at least once quarterly; recommend an annual work program
22 and budget; address and discuss Ratepayer concerns and questions regarding the DBIA district and program;
23 review all reports submitted to the Department by the program manager; and sponsor an annual Ratepayers'
24 meeting.

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1 At the annual Ratepayers' meeting, the Board shall submit for approval its proposed work plan and
2 budget for the next year, and its recommendation regarding whether to continue with the current program
3 manger. The work plan, budget, and recommendation regarding whether to continue with the current program
4 manager must be approved by a majority vote of the Ratepayers attending the meeting.

5 Section 12. Administration. The Director shall administer the program for the City with authority to:

6 (a) Classify Ratepayers within the types of use under Section 3 and resolve ambiguities in the application
7 of rates;

8 (b) Collect the special assessments; refund special assessments when overpaid or otherwise improperly
9 collected; extend the deadline for payment and waive delinquency charges and interest whenever the
10 delinquency results from extenuating circumstances beyond the Ratepayer's control, such as a casualty
11 loss causing premature closure of the business or bankruptcy or the total payment due to the City
12 (exclusive of penalty and interest) is Ten Dollars (\$10.00) or less; and exempt homes for which the King
13 County Assessor has granted an exemption from property taxes under RCW 84.36.381 - .389 on account
14 of the low income status of the owner - resident.

15 (c) Calculate and collect the interest for late payments;

16 (d) After receiving the recommendation of the Ratepayers at their annual meeting, execute an annual
17 program management contract with a Program Manager;

18 (e) Accept and deposit advance payment of assessments by ratepayers; accept donations from
19 governmental agencies, the public, and owners and operators of businesses on land that is developed or
20 redeveloped during the existence of the DBIA for DBIA programs.

21 Section 13. Contract for Program Management. The Director is authorized to contract with a Program
22 Manager, after receiving the recommendation of the Ratepayers at the annual meeting, to administer the projects
23 and activities. It is the intent of the City Council that the Director contract with the Downtown Seattle
24 Association to administer the program during the initial year, and for each year thereafter for as long as the

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1 Ratepayers concur in its continuation as the Program Manager. The selection of a Program Manager upon the
2 recommendation of the Ratepayers shall obviate compliance with the consultant selection procedures of Seattle
3 Municipal Code Chapter 3.114 and Section 20.46A.170. The Seattle Police Department shall review any
4 proposed contract for private security.

5 Section 14. Commencement of Assessments. Assessments shall commence as of the effective date of
6 this ordinance.

7 Section 15. Ratification and Confirmation. The making of contracts and expenditures and the sending of
8 assessment notices pursuant to the authority and prior to the effective date of this ordinance are hereby ratified
9 and confirmed.

10 Section 16. This ordinance shall take effect and be in force thirty days from and after its passage and
11 approval, if approved by the Mayor, but if not approved and returned by the Mayor within ten (10) days after
12 presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

13 Passed by the City Council the 19th day of July, 1999, and signed by me in open
14 session in authentication of its passage this 19th day of July, 1999.

15 Joe Arnold
President of the City Council

16 Approved by me this 23rd day of July, 1999.

17 Paul Schell
18 Paul Schell, Mayor

19 Filed by me this 26th day of July, 1999.

20 Erin Dampfield
21 acting City Clerk

22 (Seal)
23
24

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DOWNTOWN BUSINESS IMPROVEMENT AREA
d.b.a.
METROPOLITAN IMPROVEMENT DISTRICT (MID)
PARKING & BUSINESS IMPROVEMENT AREA
AGENCY SERVICE AGREEMENT

1999/2000

THIS AGREEMENT is made between The City of Seattle (the "City"), a municipal corporation, acting through its Executive Services Department, (the "Department"), and DBIA Management Services, Incorporated, (the "Agency") a wholly-owned subsidiary of the Downtown Seattle Association, to carry out Ordinance 119541.

WHEREAS, the Department, as principal, desires to contract with the Agency, for the purpose of administering the Downtown Business Improvement Area d.b.a. Metropolitan Improvement District (MID) Parking and Business Improvement Area (the "PBIA") pursuant to RCW 35.87A.

NOW, THEREFORE, in consideration of the terms, conditions, covenants and performances contained herein, and attached and incorporated and made a part hereof, the parties mutually agree as follows:

ARTICLE I. TIME ELEMENTS

SECTION 100: Term of Agreement

This Agreement shall begin August 23, 1999, and end on August 22, 2000, unless terminated or extended pursuant to the provisions of this Agreement.

SECTION 101: Schedule for Completion

All activities, services and work to be performed pursuant to this Agreement shall be completed by August 22, 2000, except as otherwise noted.

ARTICLE II. ACTIVITIES

SECTION 200: Scope of Services

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The Agency will serve as the program management contractor for the PBIA. The Agency shall be responsible for the work items set out in Appendix I: Scope of Services.

SECTION 205: Program Reporting

A written report or quarterly newsletter shall be submitted to the Director of the Department describing in detail the progress made during the preceding calendar quarter by the Agency towards the accomplishments of the scope of services set forth in Section 200, or justification for the lack of such accomplishment. Semi-annually, the report shall also contain a list of ratepayers in the PBIA, specifying the name, business name, address, assessment value classification, mailing address, and assessment information for each ratepayer, and additional information as set out by the Executive Services Department pursuant to collection of delinquent accounts.

ARTICLE III. FINANCIAL CONDITIONS

SECTION 300: Project Budget and Compensation

(A) The Executive Services Department (ESD) will collect special assessments, imposed by Ordinance 119541, on a semi-annual basis, with payments due within thirty (30) days thereafter. Moneys will be deposited in the Downtown Business Improvement Area Account in the City treasury's Business Improvement Area Fund. Collection will include identification of delinquent accounts for collection by the Seattle Law or Executive Service Departments.

(B) The maximum amount of expenditures by the PBIA for the fiscal year ending August 22, 2000 for approved program projects and activities is Two Million, Eight Hundred One Thousand, Nine Hundred Dollars (\$2,801,900.00).

(C) The Agency shall be paid a fee of not more than Three Hundred Sixty-Four Thousand, Two Hundred Forty-Seven Dollars (\$364,247.00) in the form of eleven monthly payments of Thirty Thousand, Three Hundred Fifty-Three Dollars and Ninety-One Cents (\$30,353.91), and one final payment of Thirty Thousand, Three Hundred Fifty-Three Dollars and Ninety-Nine Cents, (\$30,353.99) for the satisfactory performance of the services described in Article II.

(D) The Department will make reasonable effort to reconcile assessment and delinquency interest collections, program expenses and Agency fees by September 30, 2000. Upon the completion of such reconciliation, the Department shall advise the

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Agency of the results of such analysis and any financial adjustments that are required as a consequence thereof.

SECTION 310: Method of Payment

(A) The Agency shall submit to the Director at the address specified in Section 415 hereof, a properly-executed invoice specifying expenditures by project or activity identified in the approved budget, including monthly Agency fees as a line item, per Section 300, not later than seven (7) working days after the end of each program operating month (starting from August 23, 1999), together with all reporting data required by the Director of the Department for approval and subsequent payment from the PBIA Fund by notice per Section 480.

(B) The Department shall approve and subsequently make payment, directly to the Agency, for approved invoice amounts within ten (10) working days following receipt of the invoice from the Agency, provided that the Department determines that the expenditures by project or activity identified in the invoice have been provided according to this Agreement.

(C) The Department reserves the right to withhold payments pending receipt of adequate assessment revenues, timely delivery of services, program reports or documents as may be required under this Agreement.

SECTION 330: Documentation of Costs and Financial Reporting Requirements.

(A) All costs shall be supported internally by properly executed payrolls, time records, invoices, vouchers or other official documentation, as evidence of the nature and propriety of the charges. All accounting documents pertaining in whole or in part to this Agreement shall be clearly identified and readily accessible. The Department shall have the right to audit the records of the Agency, as they relate to the work, on reasonable notice. The Agency shall also:

1. Maintain an effective system of internal control over and accountability for all funds and property and make sure the same are used solely for authorized purposes.
2. Keep a continuing record of all disbursements by date, check number, amount, vendor, program, description of items purchased, and line item from which money was expended, as reflected in the Agency's accounting records.

The line item notations must be substantiated by a receipt or invoice marked "Paid."

3. Maintain payroll and financial records for a period of at least three (3) years after receipt of final payment under this Agreement.

4. Permit inspection and audit of its records with respect to all matters authorized by this Agreement by representatives of the City and the State Auditor, at any time during normal business hours, and as often as deemed necessary.

5. Immediately after the expiration or earlier termination of this Agreement, repay to the Department any funds in its possession at the time of the expiration or earlier termination of this Agreement that are due to the City.

(B) In the event that the City determines that any funds were expended by the Agency for unauthorized or ineligible purposes or constitute disallowed costs and orders repayment of the same, the Agency shall remit the same to the Department within thirty (30) days after the Agency's receipt of notice of such determination and an invoice for such funds.

(C) Further, all financial records and fiscal control systems shall be established and maintained in a manner and form that is acceptable to the Director of the Department; records and reports submitted shall be subject to the reasonable approval of the Director of the Department.

ARTICLE IV GENERAL CONDITIONS

Section 400: Nondiscrimination And Affirmative Action

(A) General: Notwithstanding any other provisions in reference to this Agreement, this Agreement does not require any specific utilization levels of minorities or women in the Agency's workforce, except as may be specified in any federal regulations or statutes included or referenced in the Agreement. The City encourages the Agency to employ a workforce reflective of the region's diversity. The Agency shall adhere to all non-discrimination requirements set forth in Federal and State laws and regulations and in Seattle Municipal Code provisions.

(B) During the performance of this Agreement, the Agency agrees as follows:

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(1) The Agency will not discriminate against any employee or applicant for employment because of race, religion, creed, color, sex, marital status, sexual orientation, political ideology, ancestry, national origin, or the presence of any sensory, mental or physical handicap, unless based upon a bona fide occupational qualification. The Agency will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their creed, religion, race, color, sex, national origin, or the presence of any sensory, mental or physical handicap. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. The Agency agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

(2) The Agency will, prior to commencement and during the term of this Agreement, furnish to the Executive Services Director (as used herein Director means the Director of the Executive Services Department or his/her designee) upon his/her request and on such form as may be provided by the Director therefor, a report of the affirmative action taken by the Agency in implementing the terms of these provisions, and will permit access to his/her records of employment, employment advertisements, application forms, other pertinent data and records requested by the Director for the purposes of investigation to determine compliance with this provision.

(3) If, upon investigation, the Director finds probable cause to believe that the Agency has failed to comply with any of the terms of these provisions, the Agency shall be so notified in writing. The Executive Services Director shall give the Agency an opportunity to be heard within ten (10) days of the date written notification is sent. After hearing and considering Agency's response to the findings (if any), the Director will make a final decision as to whether the Agency has failed to comply with the provisions of this Agreement. If the Director's final decision is that the Agency has failed to comply with the provisions of this Agreement, s/he may suspend this Agreement and/or withhold any funds due or to become due to the Agency pending compliance by the Agency with the terms of these provisions.

(4) Any violation of the mandatory requirements of the provisions of this Section 400 shall be a material breach of Agreement for which the Agency may be subject to damages and sanctions provided for by Agreement and by applicable law.

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(5) The foregoing provisions will be inserted in all subcontracts for work covered by this Agreement.

Section 401: Women And Minority Business Enterprise Requirements:

(A) **General.** Notwithstanding any other provision in reference to this Agreement, City utilization requirements for Women and Minority Business Enterprises ("WMBEs") shall not apply to this Agreement. No minimum level of WMBE subcontractor participation shall be required as a condition of receiving award of the contract and no preference will be given to a contractor for its WMBE utilization or WMBE status. Provided, however, that any affirmative action requirements set forth in any federal regulations or statutes included or referenced in the Agreement will continue to apply.

(B) **Non-Discrimination.** The Agency shall not create barriers to open and fair opportunities for WMBEs to participate in all City contracts and to obtain or compete for contracts and subcontracts as sources of supplies, equipment, construction and services. In considering offers from and doing business with subcontractors and suppliers, the Agency shall not discriminate on the basis of race, color, creed, religion, sex, age, nationality, marital status, sexual orientation or the presence of any mental or physical disability in an otherwise qualified disabled person.

(C) **Record-Keeping** The Agency shall maintain, for at least 12 months after completion of this Agreement, relevant records and information necessary to document the Agency's utilization of WMBEs and other businesses as subcontractors and suppliers under this Agreement and in its overall public and private business activities. The Agency shall also maintain all written quotes, bids, estimates, or proposals submitted to the Agency by all businesses seeking to participate as subcontractors or suppliers under this Agreement. The City shall have the right to inspect and copy such records. If this Agreement involves federal funds, the Agency shall comply with all record-keeping requirements set forth in any federal rules, regulations or statutes included or referenced in the Agreement.

(D) **Affirmative Efforts To Utilize WMBEs.** The City encourages the utilization of Minority Business Enterprises ("MBEs") and Women's Business Enterprises ("WBEs") (collectively, "WMBEs"), in all City contracts. The City encourages the following practices to open competitive opportunities for WMBEs:

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(1) Attending a pre-solicitation conference, if scheduled by the City, to provide project information and to inform WMBEs of Agency contracting and subcontractor contracting opportunities.

(2) Placing all qualified WMBEs attempting to do business in The City of Seattle on solicitation lists, and providing written notice of subcontractor contracting opportunities to WMBEs capable of performing the work, including without limitation all businesses on any list provided by The City of Seattle, in sufficient time to allow such businesses to respond to the written solicitations.

(3.) Breaking down total requirements into smaller tasks or quantities, where economically feasible, in order to permit maximum participation by small businesses including WMBEs.

(4) Establishing delivery schedules, where the requirements of this Agreement permit, that encourages participation by WMBEs.

(5) Providing WMBEs that express interest with adequate and timely information about plans, specifications, and requirements of this Agreement.

(6) Utilizing the services of available minority community organizations, minority contractor groups, local minority assistance offices, The City of Seattle, and other organizations that provide assistance in the recruitment and placement of WMBEs.

E. Sanctions for Violation Any violation of the mandatory requirements of the provisions of this Section 401 (B) and (C) shall be a material breach of contract for which the Agency may be subject to damages and sanctions provided for by the Agreement and by applicable law.

SECTION 402. Construction

This Agreement shall be construed in accordance with the laws of the State of Washington, regardless of its place and execution or performance.

SECTION 403. Amendments

The parties hereto reserve the right to make changes in this Agreement whenever and to the extent agreed upon by the same. Either party may request changes in the scope of services, performance, or reporting standards to be performed or provided under this Agreement. Such changes, including any increase or decrease in the amount of the Agency's compensation that are mutually agreed upon by and between the Agency and the Department, shall be incorporated by a written amendment to this Agreement; however, extension of the term of Agreement, which is mutually agreed upon by and

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between the Agency and the Department, may be made effective by written notification by the Department.

SECTION 404. Limited Effect of Approval by Department

Action of the Director of the Department pursuant to or in implementation of this Agreement does not constitute any official action by any other City department or official that may be required by law, City Charter, ordinance, rule or regulation before Agency may rightfully commence, suspend, enlarge, or terminate any particular undertaking.

SECTION 405: Compliance with Applicable Laws

The Agency shall comply with all applicable laws of the United States of America and the State of Washington; with the Charter, Municipal Code, and ordinances of The City of Seattle; and with the rules, regulations, and directives of the officers and administrative agencies of these jurisdictions, all at no additional cost to the City.

SECTION 406: Liability to Third Parties

(A) The Agency shall indemnify and hold harmless the City, its officers, elected officials, agents, employees and customers, from and against any and all claims, actions, suits, proceedings, costs, expenses (including reasonable attorney's fees), damages and liabilities claimed by any person, organization, association, or otherwise arising out of or relating to any act or omission of the Agency, or any of its agents, contractors or employees, or in connection with the Agency performance under this Agreement. Such indemnification shall not be effective to the extent that the damage or injury results from the sole negligence of the City.

In the event that the Agency and the City are held to be jointly liable in any final judgment in any suits arising out of their acts or omissions under this Agreement, the costs and expenses arising therefrom shall be prorated between the parties according to the relative degrees of their liability.

The indemnification provided for in this section shall survive any termination or expiration of this Agreement. The Agency further waives, with respect to the City only, its immunity under RCW Title 51, Industrial Insurance.

(B) Insurance: The Agency shall, at all times during the term of this Agreement, obtain and maintain continuously, at its own expense, and file with the City and the City's Risk Manager, evidence of a policy or policies of insurance as enumerated below:

(1) A policy of Commercial General Liability Insurance, written on an insurance industry standard occurrence form (CG 00 01 or equivalent), including all the usual coverages known as:

- Premises/Operations Liability
- Products/Completed Operations
- Personal/Advertising Injury
- Contractual Liability
- Independent Contractors Liability
- Stop Gap or Employers Contingent Liability
- Explosion, Collapse, or Underground (XCU)
- Fire Damage Legal

Such policy(ies) must provide the following minimum limit:

Bodily Injury and Property Damage-
\$ 1,000,000 General Aggregate
\$ 1,000,000 Products & Completed Operations Aggregate
\$ 1,000,000 Personal & Advertising Injury
\$ 1,000,000 Each Occurrence
\$ 100,000 Fire Damage

(2) A policy of Business Automobile Liability, including coverage for owned, non-owned, leased or hired vehicles written on an insurance industry standard form (CA 00 01 or equivalent). Such policy(ies) must provide the following minimum limit:

Bodily Injury and Property Damage-
\$1,000,000 per accident

(3) The insurance to be provided under Subsections 406(B)(1) and (2) above, shall be endorsed to include The City of Seattle and its officers, elected officials, employees, agents and volunteers as additional insured, and shall not be reduced or canceled without forth-five (45) days prior written notice to the City. In addition, the Agency's insurance shall be primary as respects the City, and any other insurance maintained by the City shall be excess and not contributing insurance with the Agency's insurance. Any deductible or self-insured retention must be disclosed and is subject to approval by the City's Risk Manager. The cost of any claim payments falling within the deductible shall be the responsibility of the Agency.

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(4) Evidence of Insurance: The following documents must be delivered to the Director as evidence of insurance coverage within ten (10) days after the full execution of this Agreement:

- A copy of the policy's declarations pages, showing the Insuring Company, policy, effective dates, limits of liability and the Schedule of Forms and Endorsements.
- A copy of the endorsement naming The City of Seattle as an Additional Insured (excluding Professional Liability Insurance), showing the policy number, and signed by an authorized representative of the insurance company on ISO Form CG2026 or equivalent.
- A copy of an endorsement stating that the coverages provided by this policy to the City or any other named or additional insured shall not be terminated, reduced or otherwise materially changed without providing at least forty-five (45) days prior written notice to The City of Seattle c/o the address specified in Section 415 hereof.
- A copy of a "Separation of Insureds" or "Severability of Interests" clause indicating that except with respect to the limits of insurance and any rights of duties specifically assigned to the first named insured, the Commercial General Liability & Business Automobile Liability insurance to be provided under Section 406(B)(1) and (2) applies as if each named insured were the only named insured, and separately to each insured against whom claim is made or suit is brought.

All policies shall be subject to approval by the City's Risk Manager as to company (must be rated A-:VII or higher in the A.M. Best's Key Rating Guide and licensed to do business in the State of Washington, or issued as a surplus line by a Washington Surplus lines broker), form and coverage, and primary to all other insurance.

SECTION 407: Confidentiality

Any reports, information, data, etc. given to or prepared or assembled by the Agency under this Agreement that the Department requests to be kept as confidential shall not be made available to any individual or organization by the Agency without the prior written approval of the Department.

SECTION 408: Subcontracting

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This Agreement is personal to each of the parties hereto and neither party may assign or delegate any of its rights or obligations hereunder without first obtaining the written consent of the other party. In the event of any approved assignment or subcontract, the Department shall continue to hold the Agency responsible for proper performance of the Agency's obligations under this Agreement.

SECTION 409: Future Support

The Department makes no commitment of future support and assumes no obligations for future support of the activity contracted herein except as set forth in this Agreement.

SECTION 410: Reservation of Rights

Neither payment by the Department nor performance by the Agency shall be construed as a waiver of either party's rights or remedies against the other. Failure to require full and timely performance of any provision at any time shall not waive or reduce the right to insist upon complete and timely performance of such provision thereafter.

SECTION 411: Severability

If any provision of this Agreement is held to be invalid, the remainder of this Agreement shall not be affected thereby if such remainder would then continue to serve the purposes and objectives of the contemplated project and the Department.

SECTION 412: Termination of Agreement for Cause

(A) If, through any cause, the Agency shall fail to fulfill in timely and proper manner its obligations under this Agreement, or if the Agency shall violate any of the covenants, agreements, or stipulations of this Agreement, the Department shall thereupon have the right to terminate this Agreement by giving written notice to the Agency of such termination and the effective date thereof. In such event, all finished or unfinished documents, data, studies, and reports prepared by the Agency under this Agreement shall, at the option of the Department, become the property of the Department.

(B) If the Agreement is terminated by the Department as provided herein, the Agency will be paid compensation for services satisfactorily performed to the termination date.

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(C) Notwithstanding the above, the Agency shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of the Agreement by the Agency, and the Department may withhold any payments to the Agency for the purposes of setoff until such time as the exact amount of damages due to the City from the Agency is determined.

SECTION 413: Termination of Agreement by the Agency

This Agreement may be terminated by the Agency upon thirty (30) days' prior notice in the event that the Agency is unable to provide the full services required under this Agreement. If this Agreement is terminated by the Agency, then the Agency will be paid compensation for services satisfactorily performed to the termination date.

SECTION 414: Quality of Performance

(A) The Agency shall be responsible for the quality of services rendered and the suitability of the end product and/or service. Its responsibilities hereunder shall not be reduced by recommendations or assistance received from the City that vary from the terms and conditions of this Agreement unless such recommendations or assistance are memorialized in a writing signed by the responsible City officer and made an addendum to or amendment of this Agreement.

(B) The City shall judge the adequacy and efficiency of work performed, the sufficiency of records and the end product of the services rendered. If, during the term of this Agreement, the services rendered do not meet the desired results, the Agency shall correct, modify, and/or perform again the services. Failure to make the necessary corrections shall be a material breach of this Agreement and be cause for termination.

(C) All work shall be performed and services supplied in a manner to further project purposes and goals, and in compliance with guidelines for performance set by this Agreement and the general directions of the City.

SECTION 415: Addresses

Notices, requests, grievances or adjustments to the Department shall be in writing and sent to Mr. Dwight D. Dively, Director, Executive Services Department (ESD), Attention : Linda Kabakjian, 600 4th Avenue, Room 103, Seattle, Washington 98104-1891. Notices, requests, grievances or adjustments to the Agency shall be made in

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writing and sent to Kate Joncas, Secretary, DBIA Management Services, Incorporated, 325 Logan Building, 500 Union Street, Seattle, Washington 98101.

SECTION 416: Survival of Provisions

The obligation of the Agency to indemnify the City and to provide one or more reports regarding its operations and activities under this Agreement during specified periods during the term hereof, and both parties' respective payment obligations hereunder shall survive the expiration or earlier termination of this Agreement.

SECTION 417: Integrated Document

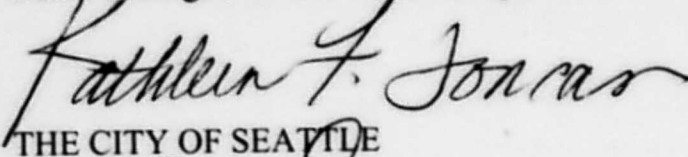
This document embodies the entire agreement between the Department and the Agency. No verbal agreement or conversation with any officer, agent or employee of the Department prior to the execution of this Agreement shall affect or modify any of the terms or obligations contained in any documents comprising this Agreement. Each such verbal agreement or conversation shall be considered as unofficial information and in no way binding upon either party.

IN WITNESS WHEREOF, THE DEPARTMENT AND THE AGENCY HAVE EXECUTED THIS AGREEMENT by having their respective authorized official affix his/her signature in the appropriate space below.

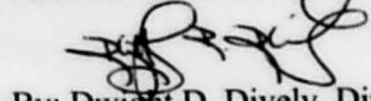
DBIA MANAGEMENT SERVICES, INCORPORATED

By: Kate Joncas, Secretary
DBIA Management Services, Incorporated

Date:


Kathleen F. Joncas
THE CITY OF SEATTLE

11/15/99


By: Dwight D. Dively, Director
Executive Services Department

11-10-99
Date:

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Appendix I

**DOWNTOWN BUSINESS IMPROVEMENT AREA
d.b.a.
METROPOLITAN IMPROVEMENT DISTRICT (MID)
PARKING AND BUSINESS IMPROVEMENT AREA**

**AGENCY SERVICE AGREEMENT
AND
PERFORMANCE STANDARDS**

1. Scope of Services. The Agency shall be responsible for the following work items:
 - a. Implement programs as outlined in the Business Plan prepared on December 18, 1998 by the Downtown Seattle Association. These programs include a public safety component that includes the hiring, training and deploying of staff to serve as guides providing information and assistance to Downtown users. The public safety staff will work with the Seattle Police Department, private security and other agencies to create a public safety network. Also included will be a public area maintenance program that will include removal of debris, graffiti, water clean up, emergency cleaning response and special projects. In addition, a marketing program will include strategic planning, Downtown-wide marketing and neighborhood marketing. Lastly, a research and development program will develop market data resources to enhance the economic mix and to track market trends for use by Rate Payers.
 - b. Provide assistance through the program manager/consultant to the RAB including, but not limited to setting meeting times and locations; notifying all ratepayers of meetings; keeping minutes; and following through on recommended projects and activities financed through assessments.
 - c. Developing and carrying out a work program (including specified projects or activities, timetable, and budget for each major item) for all programs. This work program and any amendments shall be subject to the review and approval of the Director of the Department and the Ratepayers Advisory Board before work is begun.
 - d. Either directly or through subcontract (subject to the terms and conditions of Section 408), deliver services and/or projects related to the following general

types of activities to further the purpose of the Downtown Business Improvement Area dba Metropolitan Improvement District (MID) Parking and Business Improvement Area:

Maintenance, decoration and enhancement of the area;

Organization and/or promotion of public events in public places in the area;

Promotion of business activity in the area;

Other efforts to maintain and enhance the economic vitality of the area;

2. The Agency may undertake specific activities such as, but not limited to the following, in support of the general activities listed above.

General and specific project and/or activity planning;

Provision of entertainment for public events;

Installation of directional signage pertinent to the areas;

Installation of decorations either temporary or permanent to encourage the perception of downtown Seattle as a cohesive unique area;

Preparation and distribution of informational brochures, maps, and other materials;

3. Performance Standards for above-mentioned activities are set forth in Appendix II. Based on customer satisfaction surveys, they will be the Department's gauge of effectiveness of the activity performed by the Agency under this Agreement.

4. In carrying out either the general or specific activity noted above, the Agency shall secure all necessary permits and approvals, and abide by applicable federal, state and local laws.

5. The Agency shall schedule, provide adequate notice of, prepare an agenda for and hold an annual meeting of all ratepayers on or before July 31, 2000, at which meeting ratepayers shall have the opportunity to recommend to the City a suitable successor organization if needed; and to recommend a work program and budget.

6. The Agency shall submit to the Director of the Department on or before July 31, 2000, after approval of the Ratepayers Advisory Board, a statement of the projects, activities, and proposed program budget for the period of August 23, 2000 through August 22, 2001. This statement shall be used for City budget preparation purposes.

7. The Agency shall schedule with the Director or his/her designee and then attend a quarterly meeting to review and discuss the Agency's quarterly report and proposed plans for the PBIA.

8. The Agency shall prepare and deliver to the Director a 1999/2000 annual report based upon the PBIA's fiscal year.

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Appendix II

PROGRAM MEASUREMENTS (PERFORMANCE AUDIT CONTROLS)

MANAGEMENT

Has the Agency:

- Successfully developed and implemented programs detailed in the Business Plan prepared by the Downtown Seattle Association dated December 18, 1998. These programs include public safety, public areas maintenance, marketing and research and development.
- Provided GAAP-approved budget and financial management of MIDPBIA resources.
- Supported Board, Committee and annual Ratepayers' meetings by setting meeting times, locations and maintenance of minutes.

PUBLIC SAFETY

Has the Agency:

- Employed and trained approximately 40 public safety ambassadors.
- Developed and maintained performance benchmarks with regard to levels of public safety service.
- Developed and maintained a public/private safety coalition of public safety guides, Seattle Police, private security providers and other agencies as a public safety network.
- Provided approximately 85,000 hours of active service by the public safety guides dispensing information and assistance to Downtown users.

MAINTENANCE:

Has the Agency:

- Employed, trained and deployed approximately 24 maintenance ambassadors.
- Hired transitional workers from downtown social service agencies and developed an employee support program including educational opportunities and job placement.

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- Provided approximately 60,000 hours of active service in the maintenance of public areas including daily removal of debris, graffiti and store front to curb sidewalk sweeping.

MARKETING:

Has the Agency:

- Developed a five-year strategic marketing plan for each specific MIDPBIA neighborhood.
- Developed a five-year strategic marketing plan for destination marketing program.

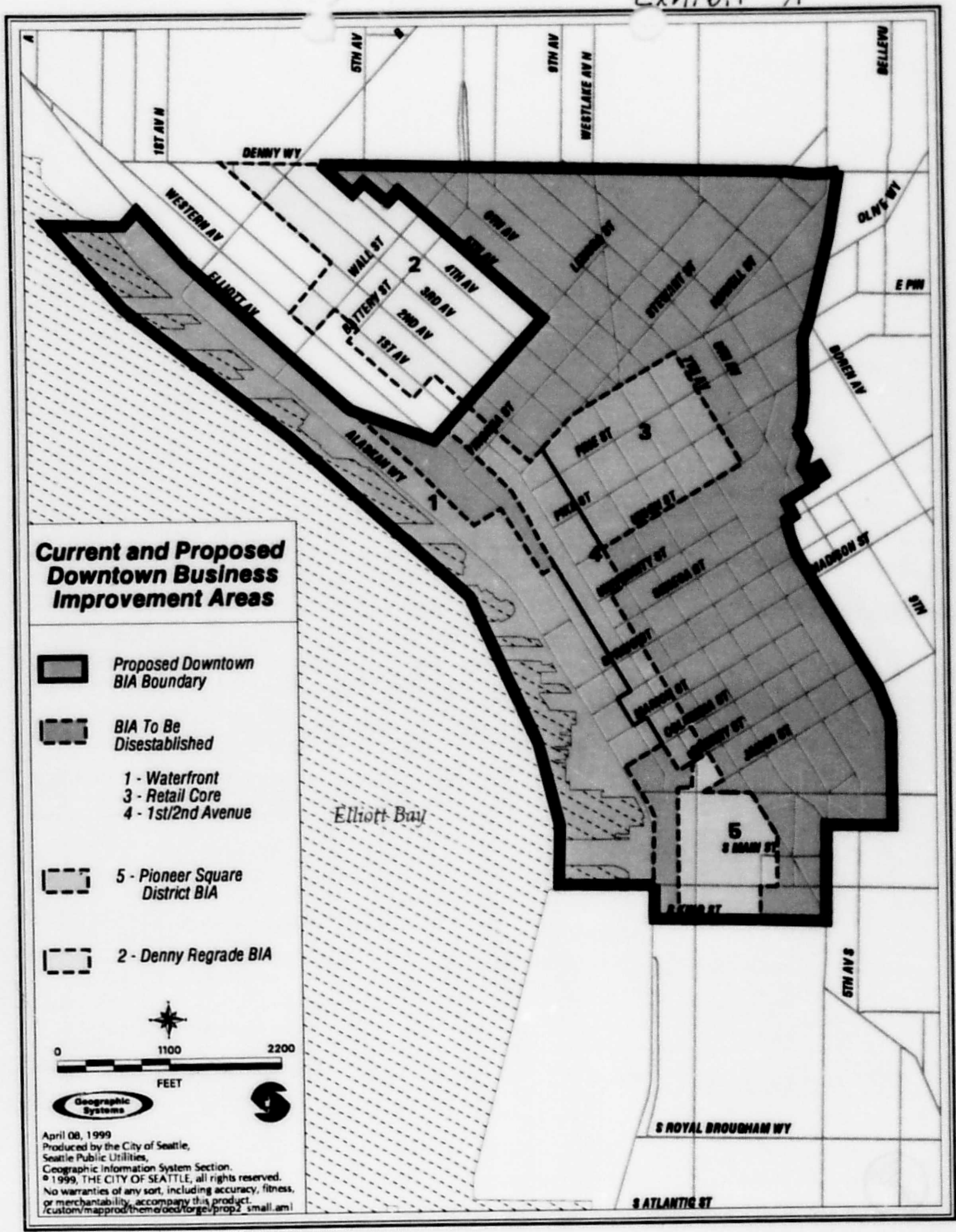
RESEARCH AND DEVELOPMENT:

Has the Agency:

- Developed and maintained a data collection and reporting system with GIS component for the "clean and safe program."
- Maintained and developed a database for MIDPBIA property management and City updates.

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Exhibit "A"



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Exhibit B: Fiscal Note

Department: Executive Services Department	Contact Person/Phone: Teri Allen 684-5226	CBO Analyst/Phone: Barbara Gangwer 615-0678
--	--	--

Legislation Title: An Ordinance relating to the establishment of a Downtown Wide Parking and Business Improvement Area (PBIA) and Ordinances relating to the concurrent Disestablishment of three existing PBIA's. The PBIA's to disestablish are the Retail Core, First and Second Avenue and the Central Waterfront. All three will become part of the Downtown Wide PBIA.

Summary of the Legislation: The Ordinance will establish a Downtown Wide Parking and Business Improvement in accordance with RCW35.87A. This PBIA will be assessing property owners and will be for a five year period. There are three ordinances that would disestablish the Retail Core, First and Second Avenue and Central Waterfront. These ordinances are contingent on the passage of the Downtown Wide Ordinance.

Background (Include justification for the legislation and funding history, if applicable):

The ratepayers in the current downtown PBIA's requested the Downtown Seattle Association engage in the process of establishing a Downtown Wide PBIA. Petitioning of the affected ratepayers was done and over 60% were in favor of the new legislation. A resolution to establish was written based on that support. The Ordinance to establish would include those three existing areas plus Pioneer Square, Denny Triangle and the Financial District. Three of the existing PBIA's will concurrently disestablish.

Sustainability Issues (related to grant awards):

Estimated Expenditure Impacts:

FUND	1998	1999/2000	2000/2001
TBD		\$2,975,000.00	\$3,064,250.00
19860,19820,19850		-\$903,235.58	
TOTAL		\$2,071,764.00	\$3,064,250.00

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One-time \$ _____

On-going \$ _____

Estimated Revenue Impacts:

FUND	1998	1999/2000	2000/2001
TBD		\$2,975,000.00	\$3,064,250.00
19860,19820,19850		-903,235.58	
TOTAL		\$2,071,764.00	\$3,064,250.00

One-time \$ _____

On-going \$ _____

Estimated FTE Impacts:

FUND	1998	1999	2000
None		0	0
TOTAL		0	0

Full Time _____ # Part Time _____ # TES _____

Do positions sunset in the future? If so, when?
N/A

Other Issues (including long-term implications of the legislation):
None

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City of Seattle

Paul Schell, Mayor

Executive Services Department

Dwight D. Dively, Director

May 26, 1999

To: Council President Sue Donaldson
Seattle City Council

From: Dwight Dively, Executive Services Department Director
Mary Jean ~~Ryan~~ ^{Office of Economic Development Director}

SUBJECT: **DOWNTOWN WIDE BUSINESS IMPROVEMENT AREA (DBIA)**

On March 15 the Downtown Seattle Association (DSA) submitted petitions to the City Council supporting a new Downtown Wide Business Improvement area (DBIA). The petitions documented support from property owners representing over 68% of the total ratepayer assessment, over the legally required 60%.

As you know, the DSA completed over two years of research, program development and public outreach in developing the proposed programs of the DBIA. The proposed DBIA five year budget of \$14.9 million includes funds for public safety, maintenance, marketing, and research and development. The term of the DBIA will be for five years.

The new DBIA will consolidate the three BIAs that DSA manages: Central Waterfront, First and Second Avenue and the Retail Core, and will include several areas not currently serviced by an existing BIA. The DBIA will also include Pioneer Square. For the time being, the existing Pioneer Square BIA, in which merchants are assessed (as opposed to property owners) will continue and concentrate on marketing services. The Denny Regrade and Chinatown/International District BIAs will remain as separate BIAs.

Attached are four ordinances and four resolutions concerning the Downtown Seattle Association's proposed Downtown Wide Business Improvement Area (DBIA), as summarized below:

- A RESOLUTION to initiate the DBIA;
- A RESOLUTION of intention to establish the DBIA and fix a date and place for a public hearing (June 30th, 1999);
- An ORDINANCE establishing the DBIA, levying special assessments upon property owners in the area, providing for the deposit of revenues and collection of delinquencies, providing for the establishment of a Ratepayers Advisory Board and providing an implementing agreement with a program manager;

Treasury Services, 600 Fourth Avenue, Room 103, Seattle, WA 98104-1891

Tel: (206) 684-8300, TDD: (206) 233-7810, Fax: (206) 684-8625, <http://www.ci.seattle.wa.us>

An equal employment opportunity, affirmative action employer. Accommodations for people with disabilities provided upon request.

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- Three RESOLUTIONS, each one for the intention to disestablish an existing BIA in the downtown area (the Central Waterfront, First and Second Avenue and Retail Core) and fixing a date and place for a public hearing (June 30, 1999); and
- Three ORDINANCES, each one providing for the disestablishment of an existing BIA in the downtown area (the Central Waterfront, First and Second Avenue and Retail Core), suspending issuance of assessments in these BIAs and providing for the distribution of remaining funds in these BIAs.

Also attached is the business plan for DBIA.

Thank you for your consideration of this legislation. Please feel free to contact Teri Allen in ESD at 684-5226 or Nathan Torgelson in OED at 233-3885 if there are any questions regarding the attached legislation.

cc: Teri Allen, ESD
Steve Gross, LAW
Nathan Torgelson, OED

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BUSINESS PLAN
PROPOSED DOWNTOWN SEATTLE
BUSINESS IMPROVEMENT AREA

Prepared pursuant to the State of Washington
Property and Business Improvement Area Law RCW 35.87A
to create a business improvement area in Downtown Seattle

Prepared by the
Downtown Seattle Association
December 18, 1998



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BUSINESS PLAN
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DOWNTOWN BUSINESS IMPROVEMENT AREA DRAFT BUSINESS PLAN

I. DBIA PROGRAM SUMMARY

The proposed Downtown Business Improvement Area (DBIA) would establish an assessment district that provides a five year program of services designed to improve and convey special benefits to properties located within the designated boundaries. The DBIA will provide comprehensive Public Safety, Maintenance, Marketing, and Research & Development Programs throughout the district, thereby addressing neglected areas and making Downtown a welcoming place to live, work, visit and invest.

A. Study Area Boundary

An area generally bounded by the I-5 Freeway to the East, the waterfront to the West, King St. to the South and Denny Way and Lenora Street to the North. See Map on page 7.

B. Programs

Public Safety

The public safety program will have approximately 40 Downtown Guides to provide advice and assistance to pedestrians. Guides will be specially trained to identify, report and act as problem solvers on public safety issues in partnership with the Police Department, mental health and substance abuse programs, and human service agencies. The program will also create a public safety coalition and an e-mail and fax network where Seattle police, internal building security, DBIA safety patrol personnel and human services professionals can coordinate efforts and share information.

Maintenance

Provide seven day a week sidewalk sweeping and graffiti removal, special projects to clean up problem areas, and monitoring and problem solving for alley maintenance and trash removal problems. This program will also operate as a job training program targeted to people who are homeless in downtown.

Marketing

The marketing and public relations program will promote a positive image of Downtown and its neighborhoods. Marketing projects will help the success and vitality of each neighborhood and provide resources for local programs to improve Downtown's quality of life.

Research & Development

Funds for research and development that will enable the DBIA to develop and monitor benchmarks for impacts of the DBIA and Downtown's economic performance. The program will also track shifts in Downtown's economy, research new opportunities and provide information on impacts of economic changes.

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Reserve Fund

To set aside funds for shortfalls in assessment collections, unanticipated challenges and new opportunities.

Management

To provide high quality financial, contract and program management for DBIA programs.

C. Budget

The five year program budget will be \$16.5 million. The initial annual budget is \$3.1 million and increases by three percent (3%) each subsequent year to reflect anticipated increases in the costs of providing services and benefits. Program priority order is based on the results of surveys and outreach and are as follows:

<u>Program Area</u>	<u>Budget Percentage</u>
Public Safety	37%
Maintenance	24%
Marketing	15%
Research & Development	06%
Reserve Fund	05%
Management	<u>13%</u>
	100%

D. Assessment Methodology

Assessable property includes all business property, multi-family residential property (buildings containing four or more residential units), and mixed use property (multi-family residential and commercial), as authorized under RCW 35.87A.010.2, which specifically benefits from BIA programs.

1. Base Formula

The City of Seattle would levy the special assessment by applying an assessment rate to each Rate Payer as described below:

$$\begin{aligned} & \text{Land Square Footage} \times \$0.29 \\ + & \text{Total Assessed Value} \times \$0.0003 \text{ (total assessed value/\$1,000} \times \$0.30) \\ & = \text{Base Year Assessment} \end{aligned}$$

Records for the assessment calculation and assessed operator are based on information provided by the King County Assessor's Office for the year 1997, its database, and on-site surveys. Modifications or limitations to these assessments are described below. Property owners would be billed for five annual installments, beginning with the base year amount. Installments for each succeeding year includes a three percent (3%) increase to reflect anticipated increase in the cost of providing services and benefits.

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2. Benefit Ceiling For All Property

No base year assessment for any individual parcel shall exceed an amount equal to $\$.00175 \times \text{total assessed value}$ (total assessed value / $\$1,000 \times \1.75). This rate is called the "Benefit Ceiling Rate". For the following special classifications of Rate Payers, a special Benefit Ceiling Rate shall be applied as set forth below to determine the base rate most reflective of benefit for that particular class of Rate Payer.

3. Benefit Ceiling Rates For Specific Land Uses

The uses listed below are subject to additional base year benefit ceilings. Rate Payers shall pay the lesser of the benefit ceiling rate or the special benefit ceiling rate as the case may be.

Land Use	Benefit Ceiling
commercial mixed use	$\$.00175 (\$1.75/\$1,000)$ of total assessed value
surface parking:	$\$.001 (\$1.00/\$1,000)$ of total assessed value
industrial warehouse:	$\$.00035 (\$.35/\$1,000)$ of total assessed value
multi-family residential apartments, the lesser of:	$\$.00065 (\$.65/\$1,000)$ of total assessed value or \$65 per unit
multi-family residential apartments possessing a rent restriction covenant, the lesser of:	$\$.000175 (\$.175/\$1,000)$ of total assessed value or \$7.50 per unit
multi-family residential condominiums, the lesser of:	$\$.00027 (\$.27/\$1,000)$ of total assessed value or \$65 per unit
non-residential, owned by a non-profit:	$\$.00035 (\$.35/\$1,000)$ of total assessed value
hotel, the lesser of:	$\$.00135 (\$1.35/\$1,000)$ of total assessed value or \$55 per room
piers	\$0.06 per square foot of pier area

E. Duration

The term of the district shall be for five years.

F. District Formation

BIA formation requires submission of petitions from diverse property owners representing more than 60% of the DBIA budget. Upon presentation of petitions, the City Council can establish the DBIA.

G. Estimated Schedule

Petition Drive Begins:	December 1998
Completed Petitions Delivered to City Council:	February 1999
City Council Review:	March - May 1999
DBIA Begins:	June/July 1999

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II. RATIONALE

To provide comprehensive management tools and resources to enable Downtown to address common problems and needs, including public safety, public maintenance, marketing and research, collectively and efficiently.

A. Improve Safety and Maintenance Throughout Downtown

Walking through Downtown Seattle can be a challenging experience. While some blocks are clean and secure, others are poorly maintained and become locations for criminal activity. The DBIA will finance comprehensive programs which support maintenance, safety and community service teams to provide a uniform standard of cleanliness and safety throughout Downtown.

B. Capitalize on a Strong Economy and Soften Future Downturns

An expanded DBIA is intended to help protect Downtown Seattle's long term economic vitality. Many cities, including Philadelphia, Baltimore, Houston, and Los Angeles, have formed BIAs in response to economic and municipal crises. It is far more expensive to stabilize and rebuild a city after a crisis as opposed to pro-actively preventing it. In cities throughout North America, BIAs have been proven to improve the safety, cleanliness, and economic vitality of Downtown. The DBIA is proposed as a pro-active program approach to stabilize and improve on Downtown's environment.

C. Broaden Participation in Downtown Improvement Efforts

Through a fair, equitable and mandatory assessment, a DBIA broadens participation in Downtown improvement efforts, encompassing absentee and other disinterested property owners as well as those actively involved. The DBIA will provide a tool for neighborhoods to work collectively on common issues.

D. Create a Cost-Effective and Non-Bureaucratic Service Delivery System

Although Downtown Seattle's existing BIAs are operating effectively within their respective neighborhoods, collectively they have a fragmented structure with multiple boards and at least 39 different assessment rates. A consolidated DBIA will provide cost-efficiencies by reducing administrative overhead, and establish a simple, fair, and consistent method of assessment.

E. Maximize Private Sector Control and Accountability

BIAs are governed by Advisory Boards comprised of Rate Payers. BIA services are delivered by a private sector management organization such as the Downtown Seattle Association. By law, revenues collected through BIA assessments must be directed toward Rate Payer defined services within the boundaries of the BIA. Direct accountability to those who pay is built into the structure of a BIA.

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III. WHAT IS A BUSINESS IMPROVEMENT AREA?

The International Downtown Association estimates that more than 1,200 Business Improvement Areas (BIAs) currently operate in business districts throughout the United States and Canada. A BIA is a private sector initiative to manage the Downtown environment, financed by a self-imposed and self-governed assessment on properties and/or businesses. A BIA assessment is similar to the "Common Area Maintenance" fees found in suburban shopping malls and office parks. Many Downtown BIAs have been formed in recent years as a local business community effort to remain competitive in the marketplace.

BIAs are proven to work by funding improvements and services that maintain and improve the overall viability of central business districts -- resulting in higher property values and sales. A matrix providing information of existing BIAs in Downtowns is provided on the following page.

Unlike other Downtowns which have a comprehensive BIA, Downtown Seattle supports six. Each BIA has its own governing board, work program, budget and assessment structure. Three BIAs are managed by the Downtown Seattle Association, including the Retail Core, 1st/2nd Avenue and Waterfront BIAs. The leadership of the Downtown Seattle Association and the three DSA-managed BIAs initiated the process to explore the feasibility of forming an expanded and consolidated Downtown Seattle BIA.

The proposed Downtown Seattle BIA will be formed pursuant to the Revised Code of the State of Washington, Chapter on "Parking and Business Improvement Areas, 35.87A." The law includes provisions that:

- Allows BIAs to finance services ranging from security to maintenance, marketing to parking management, planning to special events.
- Allows revenue for improvements and services to be raised from a special assessment based upon benefits received from improvements and services.
- Requires petition support from property owners and/or businesses representing more than 60% of the assessments to be paid.
- Allows formation of a Rate Payer Advisory Board to form budgets and work programs and monitor operations.

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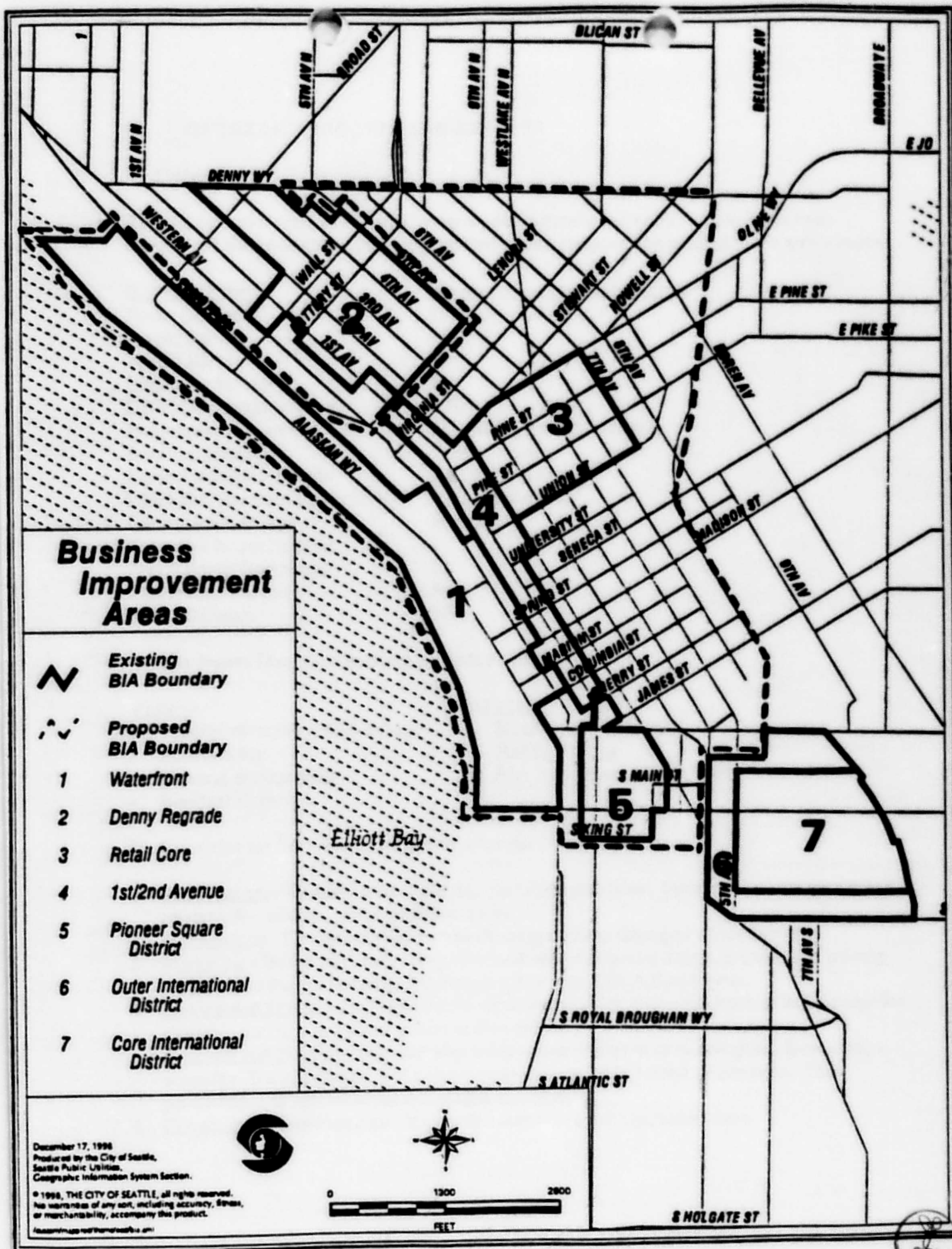
IV. DOWNTOWN-WIDE BUSINESS IMPROVEMENT AREA BOUNDARIES

The proposed Downtown-wide BIA boundaries are outlined on the following map. The boundaries are:

From the corner of 4th Avenue and Denny Way, proceed south on 4th Avenue to Cedar Street, east on Cedar Street to the alley between 4th and 5th Avenues, south down the alley to Vine Street, east on Vine Street to 5th Avenue, south on 5th Avenue to Lenora Street, west on Lenora Street to the Alaska Way Viaduct, north under the Viaduct to Elliot Avenue, north along Elliot Avenue to Bay Street, west along the Bay Street right of way to the water, south along the outer harbor line (including from Pier 71 to Pier 47) to S. Jackson Street, south along Alaskan Way to King Street, east along King Street to 4th Avenue, north on 4th Avenue to Washington Street, east on Washington Street to 6th Avenue, north along 6th Avenue to Interstate Highway 5, north along Interstate Highway 5 to Denny Way, west along Denny Way to 4th Avenue.

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V. OUTREACH PROCESS AND RESULTS

A. Outreach

To date, over two years of research, program development and public outreach has been completed. Based on that input, programs have been designed and tailored to the area's needs.

<u>Outreach Type:</u>	<u>Number of Responses/Meetings:</u>
Focus Groups	86
Owner Survey	45
Tenant Survey	77
Employee Survey	709
DBIA Newsletter mailing	2,700
Neighborhood meetings	21, visiting 3 neighborhoods
Resident meetings	7 associations
Current Advisory Boards	3, monthly meetings
DBIA Development Committee	monthly meetings
Consultant meetings	bi-monthly
Executive Board Retreats	2
Plan Review Workshops	12
Information Forums	5
Public Officials	12

B. Key Issues Identified by Respondents about Downtown

<u>Positive</u>	<u>Negative</u>
1. Vitality, diversity, retail, culture	1. Security, street disorder
2. Accessibility	2. Traffic, parking
3. Physical environment	3. Poor maintenance, litter, blight
4. Residential growth	

C. Priorities for Services and Structure for the New DBIA:

1. Public Safety - To address both real and perceived problems. Street order maintenance and opportunity reduction are significant issues.
2. Maintenance - Consistent public areas cleaning services throughout Downtown.
3. Marketing - Image and retail: Neighborhood identity, special events, promotions, parking programs, collateral materials, communications with DBIA Rate Payers.
4. Parking and Traffic - Find solutions to expensive parking, better promotions and signage for available parking, and better access to Downtown.
5. Research and Development - Develop tools which will be used to strengthen Downtown's economy. The maintenance of a database to provide market trend information. The performance of special economic studies and research.
6. Governance - Ensuring equitable representation and fair assessment rates.

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7. **Management** - Provide high-quality program administration and excellent customer service to DBIA Rate Payers. Effectively develop and implement service programs. Provide financial and contract management services.

Responding to the priorities and issues identified by Downtown property and business owners, the following service plan was developed. The service plan was reviewed and revised by property and business owners as part of the outreach process outlined in the preceding section.

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VI. PROPOSED SERVICE PLANS

A. Public Safety Program Summary

Program Objectives:

- Improve both the perception and reality that Downtown Seattle is safe.
- Build a public/private safety coalition throughout Downtown.
- Make Downtown more pleasant and easy to use for visitors, employees and residents.
- Establish a consistent Downtown safety presence that discourages predatory street behavior and works to ensure prosecution of persistent violators.
- Work closely with existing human service providers to match services and resources with street populations in need.
- Establish benchmark levels of service. Maintain operational performance audit controls.

Program Description:

The Downtown-wide Business Improvement Area-sponsored public safety program will include approximately 40 full-time employees. The Public Safety Program will be represented in the streets by the Public Safety Guides who will serve as "Downtown ambassadors," offering information and assistance to Downtown users. They will work in cooperation with the Seattle Police Department, private security providers and other service agencies to create a public safety network throughout Downtown. Modeled after similar successful programs in urban centers throughout the nation, the Guides will act as public safety problem solvers as they patrol the streets from approximately 8:00 am to 11:00 p.m. daily.

Guides will wear distinctive uniforms that reinforce an overall marketing identity for Downtown. They will be equipped with radios that connect to a supervised dispatch in communication with the Seattle Police Department. The Guides will be deployed on foot and bicycle patrols. Automobiles will also be available to respond to emergency situations.

While some training may vary, basic training will include:

- Safety techniques, observation skills, report writing and radio protocol.
- Ambassador training and event information from the hospitality industry and Downtown business community.
- Human service resources and engagement and referral techniques from local social service agency.
- CPTED: Crime Prevention Through Environmental Design.

As part of the deployment strategy the program will provide a flexible, strategic use of off duty Seattle Police Officers to complement the services of the DBIA safety teams. This strategy will allow the use of police officers in a limited role, to respond to those areas and times when the need for arrest powers may be required.

The program will provide a total of approximately 85,000 hours of security services annually, broken down into staggered schedules to respect Downtown business and user patterns, conventions, special events, and crime trends.

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Budget Summary:

The public safety program accounts for 37% of the DBIA budget.

Key expense items include:

- Personnel Salaries and Benefits (Supervisors, Field teams)
- Program Operating Expenses (equipment, supplies, uniforms, insurance)
- Capital Costs (bicycles, radios, vehicle)
- Contract Services

Total: \$1,147,000

B. Public Areas Maintenance Program Summary

Program Objectives:

- Eliminate areas of neglect and poor maintenance by providing Downtown-wide maintenance services.
- Positively impact perceptions of Downtown's cleanliness.
- Daily removal of debris/litter, drug paraphernalia, graffiti.
- Provide transitional employment opportunities for homeless individuals with a desire to re-establish their lives.
- Work closely with the City to coordinate service delivery and ensure that baseline levels of services are maintained.

Program Description:

Everyone participating in the Downtown-wide Business Improvement Area will receive a base level of maintenance services:

- Daily storefront-to-curb sidewalk sweeping, including removal of cigarette butts, glass, etc.
- Graffiti removal program that includes daily graffiti removal from all streetscape elements in the public right-of-way, and proactive identification and assistance with removal from private property.
- Regular sidewalk pressure washing.
- Daily inspection, reporting and problem solving for alleyways.
- Monitor and advocate for effective delivery of City services.
- A Special Projects Fund for emergency or ongoing projects (i.e. trash can replacement, vacant lot clean-up, beautification efforts, high volume trash removal).
- Elliott Bay Water Clean-Up Program.
- Common Area Lighting Programs.
- Establish benchmark levels of service. Maintain operational performance audit controls.

The Downtown-wide Business Improvement Area-sponsored public areas maintenance program will include approximately 24 full-time employees. Maintenance crews will be in contact with DBIA Public Safety program representatives, resulting in more efficient response to any emergency cleaning situation. Crews will also identify damaged street furniture and bus shelters, in addition to news vending box and other streetscape violations, and will follow through to correction.

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This program will provide transitional job opportunities. Trainees will work alongside experienced maintenance workers as they develop job skills, earn a reasonable salary, and develop the skills to transition out of the program and into the workforce.

Budget Summary:

The maintenance enhancement program budget accounts for 24% of the anticipated DBIA budget.

Key components include:

- Salaries and Benefits
- Program Operating Expenses (equipment, supplies, uniforms, insurance)
- Capital Costs and Special Projects
- Contract Services

Total: \$744,000

C. Marketing Program

Program Objectives:

- Develop and implement a 5-year marketing strategy targeted to residents, visitors and investors promoting Downtown's assets including unique neighborhoods, excellent dining, world class shopping, arts and entertainment.
- Strengthen Downtown's regional market competitiveness through advertising, events and public relations that establish Downtown as *the* destination to work, live, shop, and be entertained.
- Develop and coordinate promotions, public relations campaigns, advertising efforts, and activities to increase patronage for Downtown Neighborhoods and to capture special target market opportunities.
- Establish an on-going public relations program to increase regional awareness of positive changes in Downtown and overcome negative stereotypes.
- Produce neighborhood events to establish Downtown as an activity destination. Support high quality events produced by other organizations and encourage the development of new events.
- Support business and property owners by producing materials for use in retention, expansion and recruitment efforts.

Program Description:

The new BIA Marketing Program incorporates three strategies to efficiently and effectively promote Downtown. They include: Comprehensive Strategic Planning; Downtown-wide Image Marketing & Advertising; and Neighborhood Image and Destination Marketing Programs. Ongoing public relations efforts will support Downtown activities as well as communicate the benefits and progress of BIA programs. Annual consumer market and benchmark research will be conducted to guide efforts.

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Comprehensive Strategic Planning: Working with regional professionals, Downtown merchants, business and property owners, a 5-year strategic plan will be developed to insure that all marketing, advertising and promotion efforts interrelate to insure that a positive message of Downtown and Downtown neighborhoods is continuous throughout individual marketing efforts. The final Strategic Plan will include marketing and event plans for each Neighborhood, the Downtown-wide marketing plan and clear benchmarks to continually measure plan successes.

Downtown-wide Image Marketing and Advertising: Establish Downtown as a great place to work, live, shop and visit. The majority of resources will be directed to destination advertising and promotion, including the use of electronic media, print, outdoor, collateral, and the internet. These funds will also leverage Easy Streets resources to help overcome negative parking and access perceptions.

Neighborhood Image and Destination Marketing: Promote and market the unique nature of each Downtown neighborhood through existing and new individualized promotions, events and amenities. This program will help to expand a customer's stay and to encourage circulation throughout Downtown.

Budget Summary:

The marketing program accounts for approximately 15% of the BIA budget.

Key components include:

- Downtown-wide Image Marketing and Advertising
- Neighborhood Image and Destination Marketing

Total: \$465,000

D. Research and Development Program Summary

Program Objectives:

- Strengthen the competitive position of Downtown Seattle by developing market data resources that will help encourage existing business, cultural and residential uses to stay and expand, and attract new types of uses that enhance Downtown's overall economic mix.
- Develop and maintain an understanding of Downtown's competitive position in the marketplace and track trends on market shifts and new opportunities.
- Provide market information and support services to Rate Payers and others who are committed to retaining and attracting businesses and investment to Downtown.
- Develop and monitor benchmarks for DBIA programs and Downtown's economic performance.

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Program Description:

The program will develop an information collection capacity that can be used to strengthen the Downtown economy.

- Information Services: Compile information from the Downtown Database and other sources into market profiles, including demographics, employment, trend indicators and housing.
- Downtown Database: Develop comprehensive databases to set a baseline economic profile and establish standards for future bench marking.
- Market Trend Information: Identify economic segments that can best capitalize on Downtown's strengths and provide recommendations on the infrastructure (physical, information, etc.) needed to retain and recruit desirable segments.
- Economic Studies and Research: Conduct special studies and research to support projects that would impact Rate Payers.

Budget Summary:

The economic research program accounts for 6% of the DBIA budget.

Key components include:

- Database design and development
- Publication of studies and information
- Salaries and benefits

Total: \$186,000

E. Reserve Fund Summary

Program Objectives:

- To provide a fund to cover shortfalls in assessment collections so that DBIA services can be implemented as described in the ordinance.
- To provide a contingency for development and implementation of new programs that are in response to new priorities, opportunities, or crises that were not anticipated in the formation of the DBIA.

Program Description:

The Reserve Fund provides for shortfalls in assessment collections. The Fund may also be used for unanticipated challenges and new opportunities. Funds are intended to be spent each year on DBIA program objectives.

Budget Summary:

The reserve fund accounts for 5% of the DBIA budget.

Total: \$155,000

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F. Management Summary

Program Objectives:

- To provide high-quality program administration and excellent customer service to DBIA Rate Payers.
- To develop and implement programs that will accomplish the goals and objectives of the DBIA business plan as determined by the DBIA Rate Payer Advisory Board.
- To provide timely and accurate financial and program progress information to the DBIA Rate Payer Advisory Board and committees.
- To provide support staffing to the Rate Payer Advisory Board and Committees.
- To ensure ongoing communication between Rate Payers and the Advisory Board.
- To encourage efficient and effective use of volunteer time and input.

Program Description:

- Provide staff assistance and guidance to the Rate Payers' Advisory Board to carry out the programs and activities financed through the DBIA assessments.
- Provide the Board with organizational assistance, including setting meeting times, locations, and agendas; notifying all Rate Payers of all Board meetings, keeping minutes; and following through on recommended activities.
- Develop and carry out the Board's work programs for public safety, maintenance, marketing, research and development efforts, including specific products or activities, timelines, and budget for each major element. Actively seek and acquire best practices nationally and keep Rate Payers informed of new and successful strategies.
- Negotiate and execute subcontracts for work according to the approved budget. Through strict contract management ensure that these services are provided in a high quality, cost effective and accountable manner.
- Schedule, organize and execute, an annual meeting of all Rate Payers. Prepare an annual report.
- Submit to City Council after approval of the Board, a statement of projects and activities, proposed program budgets, and a statement of assessment rates requested for financing subsequent program years.
- Set program benchmarks based on Rate Payer Advisory Board priorities and keep Rate Payers informed of progress.

Budget Summary:

The management program accounts for 13% of the DBIA budget.

Total: \$403,000

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VII. ASSESSMENT METHODOLOGY

A. Assessment Methodology Analysis:

Several alternative assessment methodologies were analyzed, focusing on the relationship between the special benefits received by operators of business property and the special assessment charged. A thorough review of the property data base was conducted in order to evaluate characteristics of significant features (land area, building area, assessed value; etc.) of the various properties within the proposed DBIA. A range of information was reviewed to provide background for the existing market conditions.

Purpose of Assessment Methodology

To fairly allocate the benefits of providing DBIA services to property owners and operators within the boundaries of the Downtown Business Improvement Area. The methodology also takes into account special circumstances for unique businesses and activities.

Benefit of DBIA Services

The special benefit from the DBIA services is essentially the maintenance and enhancement of value for the properties within the DBIA boundaries. Each of the services provided enhances the opportunity for increased economic activity and increased property values due to higher levels of activity.

Methodologies Tested

- Assessment based solely on Assessed Value.
- Assessment weighted on Land Square Footage and Building Square Footage.

Land Factor	2
Building Factor	1
- Assessment weighted on Land Square Footage and Total Assessed Value.

Land SF Factor	3
Total AV Factor	1
- Assessment based on Land Use Factors, similar to present DBIA formulas.

B. Methodology Recommendation

An Assessment based on Land Square Footage and Total Assessed Value was chosen because it provided the best method of fairly allocating the benefits of providing DBIA services. In the proposed formula Land Square Footage will be weighted approximately 3 times, while Total Assessed Value is weighted 1 time.

Reasoning

1. Weights the benefit that ground floor space and land area receives compared with upper stories or below ground areas of buildings. Ground floor space and property receive the most immediate benefits from the services provided.
2. Provides an equitable treatment of the benefit gained from improvement or maintenance of property values. The services will likely provide a maintenance of current values or a proportional increase in property values. Therefore, the assessed value of weighting will

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more accurately reflect the proportional gains in value than the square footage method, which does not take into effect nor account the location or value.

3. Ease of administration. Assessment data is easily accessible from a commonly recognized source, the King County Assessor's Office.
4. Addresses ability to realize benefit issues most fairly. Lower valued property generally has lower rates and less ability to capture benefit of services. As property increases in value with the benefits from the DBIA services, it will also increase in relation to other parcels.

C. Assessment Methodology

Assessment Formula = (Land SF x \$.29) + (Total Assessed Value x \$0.0003)

No base year assessment for any individual parcel shall exceed an amount equal to \$1.75 x Total Assessed Value /\$1000. This rate is called the "Benefit Ceiling Rate". For the following special classifications of Rate Payers, a "Special Benefit Ceiling Rate" shall be applied as set forth below to determine the rate most reflective of benefit for that particular class of Rate Payer.

D. Benefit Ceilings

Land Use	Benefit Ceiling
commercial mixed use	\$.00175 (\$1.75/\$1,000) of total assessed value
surface parking:	\$.001 (\$1.00/\$1,000) of total assessed value
industrial warehouse:	\$.00035 (\$.35/\$1,000) of total assessed value
multi-family residential apartments, the lesser of:	\$.00065 (\$.65/\$1,000) of total assessed value or \$65 per unit
multi-family residential apartments possessing a rent restriction covenant, the lesser of:	\$.000175 (\$.175/\$1,000) of total assessed value or \$7.50 per unit
multi-family residential condominiums, the lesser of:	\$.00027 (\$.27/\$1,000) of total assessed value or \$65 per unit
non-residential, owned by a non-profit:	\$.00035 (\$.35/\$1,000) of total assessed value
hotel, the lesser of:	\$.00135 (\$1.35/\$1,000) of total assessed value or \$55 per room
piers	\$0.06 per square foot of pier area

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VIII. GOVERNANCE

A. Rate Payer Advisory Board Representation Process

Following approval of the DBIA by City Council, a new Rate Payer Advisory Board will be formed to make recommendations on the use of the proposed Downtown-wide Business Improvement Area (DBIA) funds. In accordance with state legislation, the initial DBIA Advisory Board will be appointed by City Council. Recommendations for the initial Board will be made by a DBIA Transition Planning Team, which shall have representation from the existing BIA Boards and other Rate Payer constituencies as listed below.

The Transition Planning Team and the Rate Payer Advisory Board must be representative of the diverse range of Rate Payers and include representation from existing BIAs, as well as each neighborhood, size and Rate Payer type.

Existing BIAs and Neighborhoods	Size of Rate Payer Investment	Rate Payer Type
Waterfront	Large	Non-Profit
First & Second Avenue	Medium	Office
Retail Core	Small	Retail
Denny Triangle		Parking Lot
Pioneer Square		Industrial
Government/Financial		Hotel
		Residential

B. Transition Planning Process

Following completion of petition gathering (estimated January 1999) the process will move into planning the transition to the new DBIA. Below is a description of the proposed committees and task forces required to complete this phase.

Transition Planning Team

The Transition Planning Team will provide a forum to discuss transition issues, and to develop a plan for implementing the new DBIA. The transition team's primary tasks will be the development of governance structures including the following tasks:

1. Development of by-laws for the new Rate Payer Advisory Board which address at minimum Board composition, tenure, replacement of Board members, duties and responsibilities of Board members and officers, committee structures, meeting procedures and fiscal management policies;
2. Recommendations for a slate of candidates for the first Rate Payer Advisory Board;
3. Monitor program transition plans for existing BIA public safety, maintenance and marketing programs;
4. Ensure that existing BIAs develop disbursement plans for BIA fund balances in accordance with state law.

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5. Review and make recommendations on the ordinance enacting the new BIA; and
6. Monitor the City Council review process and respond to any City requests for additional information.

The composition of the Transition Planning Team would be developed as follows. The Transition Planning Team will be initiated with the following seven members, composed of chairs or appointees from the organizations/Advisory Boards which are encompassed by the Downtown BIA, including:

- Downtown Seattle Association
- 1st & 2nd Avenue BIA
- Waterfront BIA
- Retail Core BIA
- Pioneer Square BIA
- City of Seattle City Council
- City of Seattle Executive Services Department

The initial Planning Team will appoint the following property owners to complete the 20 - 25 member Transition Planning Team. The following property owners would be selected by use type and from all neighborhoods served by the BIA. Appointees may represent more than one category, but the final Team composition must show geographic and use diversity.

- Non-profit Organization
- Small Rate Payer
- Medium Rate Payer
- Large Rate Payer
- Retail Property
- Residential - Rental
- Residential - Condominium
- Parking Lot
- Industrial Warehouse
- Hotel
- Piers
- Pioneer Square Community Council
- Denny Triangle
- Government/Financial District
- Publicly Owned/PDA
- Property Owner at Large

Ad Hoc Program Advisory Task Forces

The Ad Hoc Program Advisory Task Forces would provide broad-based input on the implementation plans for the DBIA programs. The Ad Hoc Task Forces will include public safety, maintenance, marketing, and research and development. Duties would include reviewing initial program design, developing recommendations on DBIA service and performance benchmarks, and identifying initial program committee membership for the first year of DBIA operations.

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The composition of the Ad Hoc Program Advisory Task Forces would be developed as follows. The Task Forces will be initiated with the following five members, composed of corresponding committee chairs or appointees from the existing organizations/BIA Advisory Boards which are encompassed by the Downtown BIA, including:

- Downtown Seattle Association
- 1st & 2nd Avenue BIA
- Waterfront BIA
- Retail Core BIA
- Pioneer Square Neighborhood

The Committees then will appoint additional members, focusing on partners for their respective program areas. For example, the public safety committee should include additional members from the Seattle Police Department, neighborhood crime prevention councils, Rate Payer property managers and human services.

C. Management Services

The Downtown Seattle Association (DSA) will be the management company for the DBIA. The DSA has managed the Waterfront, First/Second Avenue and Retail Core BIAs for over 10 years, and has an excellent record of customer service to Rate Payers. In addition, the DSA staff has conducted extensive research on the best practices and programs nationally, and has invested in staff training to implement the DBIA. DSA staff has established contacts throughout the country with other BIAs, and can call on their expertise in designing and modifying DBIA programs. Due to experience and the local and national network that has been established, DSA is the best qualified company to manage the DBIA in an effective and efficient manner. DSA would provide management services for the DBIA under a five year contract with the City of Seattle which would be reviewed annually by the Rate Payer Advisory Board and the City Council. The proposed management fee is consistent with other similar national programs.

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APPENDIX

STATEMENT OF WORK

City of San Francisco Department of Public Works

Project No. 1000000000

The City of San Francisco Department of Public Works is seeking a contractor to provide the following services:

- 1. Provide a detailed design and construction of a new public works facility.
- 2. Provide a detailed design and construction of a new public works facility.
- 3. Provide a detailed design and construction of a new public works facility.
- 4. Provide a detailed design and construction of a new public works facility.
- 5. Provide a detailed design and construction of a new public works facility.

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- 5. Provide a detailed design and construction of a new public works facility.

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- 1. Provide a detailed design and construction of a new public works facility.
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STATEMENT OF PRINCIPLES
Creation and Support of a Downtown Business Improvement Area
December 1998

We believe the formation of a Downtown Business Improvement Area (DBIA) will benefit the commercial core of Seattle's Downtown Urban Center (Downtown Seattle), its property owners, business owners, residents, and employees, and make the area more attractive to visitors. The purpose of the DBIA is to provide services in Downtown Seattle above and beyond service levels currently provided by the City of Seattle (City); the City of Seattle intends to maintain its current service levels and work cooperatively with the DBIA. The DBIA will feature "Clean and Safe" programs and marketing efforts to promote and enhance the image of Downtown Seattle. The formation of the DBIA is intended to improve quality of life for downtown residents, support business development and retention, increase property values, and leverage available public and private resources through coordination.

The City and the Downtown Seattle Association (DSA) share several common objectives for Downtown Seattle, including:

- supporting a healthy climate for business in Downtown Seattle;
- providing predictability and consistency in the level of service provided in Downtown Seattle;
- efficient administration of operations of business improvement areas;
- coordination of issues of mutual interest to the City and the private sector.

Additional objectives of DSA include:

- centralized and coordinated management of business improvement area programs in Downtown Seattle, eliminating redundancy and creating economic efficiency;
- provision of enhanced cleaning, street safety and marketing services to BIA ratepayers, achieved through economies of scale.

Additional objectives of the City include:

- maintaining the flexibility to respond to changing fiscal conditions and to emergencies by adjusting the level of general City services;
- providing general services equitably across City neighborhoods, recognizing the different needs, land use and character of each neighborhood;

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Statement of Principles
December 1998

The City recognizes that the DBIA will be most effective if its services supplement, rather than substitute for, general City services provided in the commercial core. Therefore, the City intends to maintain the level of service in this area which is envisioned in the 1999-2000 Budget. Furthermore, the City intends to continue to provide services in Downtown Seattle beyond 1998 and to review services annually with the DBIA representatives.

The DSA recognizes that City service levels in the commercial core may occasionally be adjusted to respond to emergencies or to changes in financial condition.

Public Safety

In the area of public safety, it is the commitment of the Seattle Police Department (SPD) to maintain its current budgeted levels of resources and staff support Downtown. Specifically, the SPD will not reduce or otherwise negatively adjust its budgeted resource levels in response to services provided by the DBIA public safety program. The resources we have identified as most immediate partners to the DBIA public safety program are the Anti-Crime Team, Community Police Team, Foot Patrols, Bike Patrol and when occasion permits Umbrella Patrol cars. In the 1999-2000 Budget this number equals 60 officer positions for the Downtown Precinct.

The DBIA is intended to supplement these services by:

- providing visible representatives to disseminate public information, provide assistance to visitors and act as additional "eyes and ears" for public safety;
- rendering first aid assistance;
- providing a courtesy and security patrol, including an evening security escort service for downtown employees;
- coordinating enforcement of civility ordinances with the Seattle Police Department;
- performing field assessments and human service referrals;
- coordinating business and community block watch programs;
- tracking downtown crime statistics and identifying public safety issues; and
- advocating for crime prevention measures.

Cleaning and Maintenance of Public Spaces

In the area of cleaning and maintaining public spaces, the 1999-2000 Budget provides the resources for City departments and utilities to provide the following services which the City intends to provide in Downtown Seattle:

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Statement of Principles
December 1998

Street Sweeping

- Pioneer Square (Alaskan Way to 5th Avenue, Yesler to Jackson)= 7 nights a week
- Between University and Yesler Streets, 6th Avenue and Alaskan Way = 4 nights a week on the numbered avenues and 1 night a week on the streets and on Western and Alaskan Way
- Between University and Lenora Streets, 1st and 6th Avenue = 7 nights a week
- Between University and Lenora Streets, 6th Avenue and 1-5 = 4 nights a week
- Between University and Lenora Streets, 1st Avenue and the Waterfront = 1 night a week
- Between Lenora Street, Denny Way and Alaskan Way = 1 night a week

Alley Cleaning

- Deep cleaning once a week, light cleaning all other nights; flushing and deodorizing, five nights per week, nine months per year;

Other

- daily garbage pick up from City-owned litter cans;
- daily park maintenance; and
- removal of graffiti from public property, one day a week and in response to hotline calls.

The DBIA is intended to supplement these services by:

- providing daily sidewalk sweeping and power vacuuming;
- providing a comprehensive pressure washing program for sidewalks and public trash receptacles;
- removing graffiti from private and public property and organizing large-scale graffiti "paint-outs;"
- providing minor maintenance of public property including kiosks, bus shelters, and planters;
- siting and installation of security lighting; and
- promoting enforcement of laws regulating newspaper vendor box placement, sandwich board signs, and trash pick-up.

Marketing

In the area of marketing, the 1999-2000 Budget provides the resources to staff the Mayor's Office of Film and Tourism, which includes the contract with DSA

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**Statement of Principles
December 1998**

and the Seattle/King County Visitors and Convention Bureau for marketing Downtown Seattle, and the City intends to provide this level of service.

The DBIA is intended to supplement these services by:

- designing and producing business recruitment and retention presentation materials;
- providing a coordinated and enhanced agenda of downtown event programming
- facilitating and expanding current public space event programming;
- promoting neighborhood awareness and developing unique neighborhood traits;
- providing central press and public relations information;
- promoting downtown as an exciting place to shop, visit, work and live;
- providing mechanism for event planners and downtown businesses to coordinate ongoing individual efforts;
- assisting the City of Seattle Special Events Committee in review and production of downtown events which are brought before the Committee for approval;
- coordinating information services to increase accessibility throughout downtown; and
- developing user friendly brochures and coordinate distribution.

Business Development

In the area of business development, the 1999-2000 Budget provides the resources for the Office of Economic Development to contract with the DSA and the Seattle/King County Economic Development Council to promote downtown business development, and the City intends to continue to contract for these services.

The DBIA is intended to supplement these services by:

- developing and maintaining a downtown land use, trends, development and project information database; and
- designing and implementing business recruitment and retention strategies, including presentation materials.

Coordination and Policy

In the area of coordination and policy development, the 1999-2000 Budget provides the resources for: a Downtown Coordinator in the Office of Economic Development to act as liaison to the DBIA; and through the Executive Services Department to supply fiscal services to the DBIA; and the City intends to provide this level of service.

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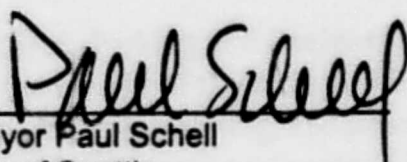


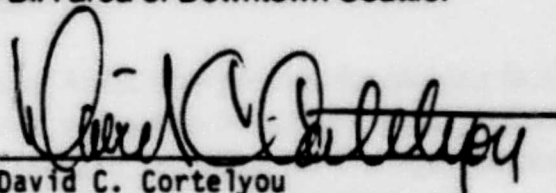
Statement of Principles
December 1998

The DBIA is intended to supplement these services by:

- advocating for the improvement of the downtown business environment;
- advocating for a comprehensive and coordinated downtown human services policy;
- coordinating with the King County Health Department;
- advocating for transportation needs and accessibility and providing universal signage and validation programs for parking.

We believe the creation and support of a Downtown Business Improvement Area to supplement services provided by the City of Seattle will benefit all those who own property or businesses or live in the BIA area of Downtown Seattle.


Mayor Paul Schell
City of Seattle


David C. Cortelyou
Downtown Seattle Association

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RESOLUTION 29706

A RESOLUTION adopting policies regarding the establishment and management of
Parking and Business Improvement Areas for the City of Seattle.

WHEREAS, RCW 35.87A authorizes the establishment of Parking and Business
Improvement Areas, commonly referred to as business improvement areas or BIAs, to
aid general economic development and neighborhood revitalization, and to facilitate
cooperation of merchants, businesses, and residential property owners which assists
trade, economic viability, and livability; and

WHEREAS, Parking and Business Improvement Areas may provide for parking facilities
for the benefit of the area, public decorations, promotion of public events, professional
management, planning, and promotion for the area, including the management and
promotion of retail trade activities in the area, and maintenance and security for
common public areas; and

WHEREAS, the City of Seattle has, as of the date of this resolution, established nine
Parking and Business Improvement Areas (BIAs), and may be petitioned to establish
additional BIAs; and

WHEREAS, Parking and Business Improvement Areas (BIAs) have been very beneficial
to the areas in which they have been established, often by augmenting municipal
services; and

WHEREAS, the City of Seattle collects assessments from BIA rate payers and is
responsible for the appropriate expenditure of these revenues, as allowed by State
law, for authorized purposes; Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE
MAYOR CONCURRING, THAT:

Section 1. It is the City of Seattle's policy to encourage and support the establishment
of BIAs when it is beneficial to an area to do so.

Section 2. Wherever BIAs have been established, it is the City of Seattle's intent to
maintain the level of municipal services it provides in those areas and not supplant

1 existing municipal services with those funded through the collection of special
2 assessments, provided that nothing herein should be construed to limit the discretion of
3 elected officials of the City of Seattle to determine whether, and at what level, specific
4 municipal services should be provided.

5
6 Section 3. If City programs are operated in facilities located within the geographic
7 boundaries of a BIA, and these programs benefit from the improvements and services
8 provided by the BIA, the City may choose to contribute to the BIA in cash, or in kind, an
9 amount consistent with the assessments of similarly benefiting rate payers, recognizing
10 that the City supports BIAs in many other ways.

11
12 Section 4. The City of Seattle's Office of Economic Development (OED) shall be
13 responsible for providing technical assistance to business districts requesting assistance in
14 exploring the feasibility of forming a BIA; supporting and reviewing BIA project
15 applications submitted to the City's Department of Neighborhoods (DON) for
16 Neighborhood Matching Funds; attending monthly BIA ratepayer's meetings; organizing
17 quarterly BIA meetings for BIA Executive Directors and City staff; and, providing
18 technical assistance to existing BIAs on projects that strengthen the economic climate of
19 the business district. The City of Seattle's Office of Economic Development shall
20 coordinate its activities with the Executive Services Department's BIA Program
21 Administrator.

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28

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ORDINANCE

AN ORDINANCE establishing a Downtown Parking and Business Improvement Area; levying special assessments upon the businesses, multifamily residential or mixed-use projects within the area; providing for the deposit of revenues in a special account and expenditures therefrom; providing for collection of and penalties for delinquencies; providing for the establishment of a Ratepayers Advisory Board, and providing for an implementing agreement with a program manager.

WHEREAS, the businesses, multifamily residential or mixed-use projects located within the area and subject to sixty percent or more of the special assessments levied by this ordinance filed a petition with The City of Seattle to establish a Parking and Business Improvement Area pursuant to RCW 35.87A, which is filed in C.F. 303072; and,

WHEREAS, the City adopted Resolution 29966, initiating a parking and business improvement area via the resolution method instead of the petition method as provided for by RCW 35.87A.030; and,

WHEREAS, pursuant to RCW 35.87A.040, the City adopted Resolution 29965, entitled "A RESOLUTION of intention to establish a Downtown Parking and Business Improvement Area, and fixing a date and place for a hearing thereon," and declaring its intent to establish the same; and,

WHEREAS, the Downtown Business Improvement Area established herein is for the purpose of enhancing conditions for the operation of those businesses, multifamily residential or mixed-use projects; and the budget of the BIA shall be dedicated to activities in addition to basic services provided by The City of Seattle, in accordance with Resolution 29706 and the non-binding Statement of Principles signed by the Mayor and the Chair of the Downtown Seattle Association; and,

WHEREAS, as provided by Resolution 29965, published in the Daily Journal of Commerce on _____, 1999, the City Council, through its Business, Economic, and Community Development Committee held a public hearing thereon on June 30, 1999, at and after 5:30 p.m. in the City Council Chambers, 11th Floor, Municipal Building, 600 4th Avenue, Seattle, Washington;

Now, Therefore, **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. Area Established As authorized by Chapter 35.87A RCW, there is hereby established a Downtown Parking and Business Improvement Area ("Downtown Business Improvement Area" or "DBIA") within the following boundaries and as shown on the map attached as Exhibit "A" (when a street or alley is named, the area boundary is the centerline of the right-of-way including vacated portions unless otherwise specified in the description):

From the center of the intersection of 4th Avenue and Denny Way, then south therefrom along 4th Avenue to Cedar Street, then east therefrom to the alley between 4th and 5th Avenues, then south therefrom to Vine Street, then east therefrom to 5th Avenue, then south therefrom to Lenora Street, then west therefrom to the Alaskan Way Viaduct, then northwest under the

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1 Alaskan Way Viaduct to Elliott Avenue, then north therefrom to Bay Street, then west therefrom
2 to the outer harbor line, then south therefrom (including from Pier 71 to Pier 47) to the
3 intersection of South Jackson Street and Alaskan Way, then south therefrom to South King
4 Street, then east therefrom to 4th Avenue South, then north therefrom to South Washington
5 Street, then east therefrom to 6th Avenue South, then north therefrom to the western edge of
6 Interstate Highway 5, then north therefrom along the eastern side of 6th Avenue to Spring Street,
7 then northeast therefrom between the eastern boundary of Naramore Fountain Park and the
8 western boundary of Interstate 5, to Freeway Park's southern boundary on Seneca Street, then
9 east therefrom inside Freeway Park across Interstate 5 to the park's eastern boundary at Hubbell
10 Place, then northeast therefrom inside the park to University Street, then east therefrom beneath
11 8th Avenue one-half block to 900 University Street, then north therefrom along the west side of
12 900 University Street, then east therefrom inside the park to 9th Avenue, then north therefrom on
13 9th to the intersection of Union Street and Hubbell Place, then northeast therefrom on Hubbell
14 Place to Pike Street, then west therefrom to the western border of Interstate 5, then north
15 therefrom to Denny Way, then west therefrom to the point of beginning.

16 In case of a conflict between the description of the area and the map, the description shall control.

17 Section 2. Programs. Special Assessment revenues shall be used for the following component programs.

18 A. Public Safety.

19 The public safety program will identify, report, and act as problem-solvers on public safety issues, in
20 coordination with the Police Department, mental health and substance abuse programs, and human service
21 agencies.

22 B. Maintenance. The maintenance program will provide sidewalk sweeping and graffiti removal, special
23 projects to clean up problem areas, and monitoring and problem solving for alley maintenance and trash
24 removal problems.

25 C. Marketing and Public Relations.

26 The marketing and public relations program will promote a positive image of the assessment area. The
27 program will also track shifts in Downtown's economy, research new opportunities and provide
28 information on impacts of economic changes.

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1 D. Reserve Fund

2 A reserve fund will be maintained in order to compensate for shortfalls in assessment collections and to
3 provide funding for unanticipated expenses and new opportunities.

4 The listing of services is illustrative and not exclusive. All such activities are supplemental to street
5 maintenance and law enforcement provided by the City and are not intended to displace any services regularly
6 provided by municipal government.

7 The proposed budget for this program is as follows:

8 **5-YEAR BUDGET PLAN FOR DOWNTOWN BUSINESS IMPROVEMENT AREA**

	Year 1	Year 2	Year 3	Year 4	Year 5	Totals
9 Public Safety	\$1,036,703	\$1,067,804	\$1,099,838	\$1,132,833	\$1,166,818	\$ 5,503,996
10 Maintenance	672,456	692,630	713,409	734,811	756,855	3,570,161
11 Marketing	420,285	432,894	445,880	459,257	473,034	2,231,350
12 R & D	168,114	173,157	178,352	183,703	189,214	892,540
13 Reserve Fund	140,095	144,298	148,627	153,086	157,678	743,784
14 Management	364,247	375,174	386,430	398,023	409,963	1,933,837
15 Totals	\$2,801,900	\$2,885,957	\$2,972,536	\$3,061,713	\$3,153,562	\$14,875,668

16 This budget plan shows proposed expenditures based upon assessments collected from ratepayers.

17 Section 3. Levy of Special Assessments. To finance the programs authorized in Section 2, there is
18 levied upon and shall be collected from the businesses, multifamily residential properties (buildings containing
19 more than four residential units), and mixed-use properties (buildings with both multi-family residential and
20 commercial units) (collectively, "Ratepayers") in the Downtown Business Improvement Area described in
21 Section 1, a Five-Year special assessment in an amount not to exceed Fourteen Million, Eight Hundred Seventy
22 Five Thousand, Six Hundred Sixty-Eight Dollars (\$14,875,668.00), which amount shall be collected
23 semiannually. The total Assessment is measured by the type of use and rate of assessment in the following table,
24 subject to the calculations and limitations in this Section:

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Five-Year Assessment = (Land Square Footage x \$0.15379) + (Total 1997 Assessed Value of Site (Property + Improvements)/\$1,000 x \$0.15927). Records for the assessment calculation and the Assessed Operator are based on information provided by the King County Assessor's office for the year 1997, its database, and by on-site surveys. Modifications or limitations to these assessments are described below. No five-year assessment for any individual parcel shall exceed a total amount equal to (\$9.2909 x (Total Assessed Value/\$1,000)). This rate is called the "Benefit Ceiling Rate". For the following special classifications of Ratepayers a Special Benefit Ceiling Rate shall be applied as set forth below to the Base Year Assessment to determine the rate most reflective of benefit for that particular class of Ratepayer:

- | | |
|--|--|
| 1. Commercial Mixed-Use | \$ 9.29/\$ 1,000 of total assessed value |
| 2. Surface Parking | \$ 5.31/\$ 1,000 of total assessed value |
| 3. Multi-Family Residential Apartments: the lesser of: | \$ 3.45/\$ 1,000 of total assessed value or \$ 345.09 per unit |
| 4. Multi-Family Residential Condominiums: the lesser of: | \$ 1.43/\$ 1,000 of total assessed value or \$ 345.09 per unit |
| 5. Industrial Warehouse | \$ 1.8581/\$ 1,000 of total assessed value |
| 6. Multi-Family Residential Apartments possessing a rent restriction covenant: the lesser of | \$.93/\$ 1,000 of total assessed value or \$ 39.82 per unit |
| 7. Hotel: the lesser of: | \$ 7.95/\$ 1,000 of total assessed value or \$ 292.00 a room |
| 8. Non Residential (Owned by a Non-Profit) | \$ 1.86/\$ 1,000 of total assessed value |
| 9. Piers | \$.32 per square foot of pier area. |

Ratepayers shall pay the lesser of the Benefit Ceiling Rate or the Special Benefit Ceiling Rate, as the case may be. Property owned by governmental entities or public utilities, and land that is vacant, shall not be assessed. All businesses, multifamily residential or multi-use projects within the area shall be subject to the provisions of this special assessment as authorized by RCW 35.87A.010.

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1 Section 4. Rate Changes. Changes in the assessment rate shall only be made by ordinance and as
2 authorized in RCW 35.87A.140.

3 Section 5. Deposit of Revenues. There is hereby established in the City Treasury's Business
4 Improvement Area Fund, a separate subaccount designated the Downtown Business Improvement Area Account
5 (called "the Account"). The following monies shall be deposited in the Account:

- 6 (a) All revenues from special assessments levied under this ordinance;
- 7 (b) All income to the City from public events financed with special assessments;
- 8 (c) Gifts and donations for the Account;
- 9 (d) Interest and all other income from the investment of Account deposits;
- 10 (e) Restitution moneys for expenditures made from the Account and reimbursements due to the Account.

11 Section 6. Collection Schedule. Special assessments shall be collected on a semi-annual basis. The
12 Director, Executive Services Department, or the Director's designee ("Director") may change the billing
13 frequency by directive. A copy of the directive shall be mailed to all Ratepayers not less than 90 days before the
14 new billing cycle is to take effect.

15 Section 7. Delinquent Payments. If an assessment has not been paid within thirty (30) days after its due
16 date, the Director shall send a reminder notice and add a Five Dollar (\$5.00) processing fee. If the assessment is
17 not paid within sixty (60) days after its due date, a delinquency charge shall be added in the amount of ten
18 percent (10%) of the assessment in addition to an additional Five Dollar (\$5.00) processing fee. All assessments
19 that are not paid within sixty (60) days of the due date shall also bear interest from the due date at twelve percent
20 (12%) per annum. The Director is authorized to bring an action to collect any unpaid assessments in any court of
21 competent jurisdiction in King County.

22 Section 8. Notices. Notices of assessment, installment payments, or delinquency, and all other notices
23 contemplated by this ordinance may be sent by ordinary mail or delivered by the City to the address shown on
24 the records of the Director, and, if no address is shown there, to the address shown on the records of the County

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1 Assessor. Failure of the ratepayer to receive any mailed notice shall not release the ratepayer from the duty to
2 pay the assessment and any interest and delinquency charges on the due date.

3 Section 9. Disputes. Any ratepayer aggrieved by the amount of an assessment or delinquency charge
4 may on request obtain a meeting with the Director or the Director's designee. If not satisfied, the ratepayer may
5 appeal the matter to the City's Hearing Examiner in the manner provided for a contested case under Chapter 3.02
6 of the Seattle Municipal Code. The ratepayer has the burden of proof to show that the assessment or delinquency
7 fee is incorrect.

8 Section 10. Expenditures. Expenditures from the Account shall be made upon vouchers drawn by the
9 Director and shall be used exclusively for the statutory purposes each as more fully defined in Section 2.

10 Section 11. Ratepayers Advisory Board. The Director shall appoint an interim Ratepayers Advisory
11 Board comprised of ratepayers from the Area within thirty days of the effective date of this ordinance. The
12 Director shall solicit recommendations from the Ratepayers, and shall appoint the interim board from that list.
13 The interim Ratepayers Advisory Board will recommend a permanent Ratepayers Advisory Board within ninety
14 days of the effective date of this ordinance. The composition of the Board shall be representative of both the
15 entire geographic area of the District and representative of the special classifications in Section 2.

16 The Director may appoint additional members to the Ratepayers Advisory Board to ensure that a broad
17 representation of ratepayers is provided. The additional members so appointed shall not exceed one-third (1/3)
18 of the entire membership of the Board.

19 The Ratepayers Advisory Board shall be responsible for adopting bylaws and policy guidelines,
20 providing advice and consultation to the Department initially, and any individual or agency hired to manage the
21 day-to-day operations of the Business Improvement Area program, on all matters related to the operation of the
22 program.

23 The Ratepayers Advisory Board shall: meet at least once quarterly; recommend an annual work program
24 and budget; address and discuss ratepayer concerns and questions regarding the DBIA district and program;

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1 review all reports submitted to the Department by the program manager; and sponsor an annual ratepayers'
2 meeting.

3 At the annual ratepayers' meeting, the Board shall submit for approval its proposed work plan and
4 budget for the next year, and its recommendation regarding whether to continue with the current program
5 manger. The work plan, budget, and recommendation regarding whether to continue with the current program
6 manager must be approved by a majority vote of the ratepayers attending the meeting.

7 Section 12. Administration. The Director shall administer the program for the City with authority to:

8 (a) Classify ratepayers within the types of use under Section 3 and resolve ambiguities in the application
9 of rates;

10 (b) Collect the special assessments; refund special assessments when overpaid or otherwise improperly
11 collected; extend the deadline for payment and waive delinquency charges and interest whenever the
12 delinquency results from extenuating circumstances beyond the Ratepayer's control, such as a casualty
13 loss causing premature closure of the business or bankruptcy or the total payment due to the City
14 (exclusive of penalty and interest) is Ten Dollars (\$10.00) or less; and exempt homes for which the King
15 County Assessor has granted an exemption from property taxes under RCW 84.36.381 - .389 on account
16 of the low income status of the owner - resident.

17 (c) Calculate and collect the interest for late payments;

18 (d) Subject to the recommendation of the Ratepayers at their annual meeting, execute an annual program
19 management contract with a Program Manager;

20 (e) Accept and deposit advance payment of assessments by ratepayers; accept donations from
21 governmental agencies, the public, and owners and operators of businesses on land that is redeveloped
22 during the existence of the DBIA for DBIA programs.

23 Section 13. Contract for Program Management. The Director is authorized to contract with a Program
24 Manager as recommended by the Ratepayers at the annual meeting to administer the projects and activities. It is

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1 the intent of the City Council that the Director contract with the Downtown Seattle Association to administer the
2 program during the initial year, and for each year thereafter for as long as the Ratepayers concur in its
3 continuation as the Program Manager. The selection of a Program Manager upon the recommendation of the
4 Ratepayers shall obviate compliance with the consultant selection procedures of Seattle Municipal Code Chapter
5 3.114 and Section 20.46A.170. The Seattle Police Department shall review any contract for private security

6 Section 14. Commencement of Assessments. Assessment shall commence as of the effective date of this
7 ordinance.

8 Section 15. Ratification and Confirmation. The making of contracts and expenditures and the sending of
9 assessment notices pursuant to the authority and prior to the effective date of this ordinance are hereby ratified
10 and confirmed.

11 Section 16. This ordinance shall take effect and be in force thirty days from and after its passage and
12 approval, if approved by the Mayor, but if not approved and returned by the Mayor within ten (10) days after
13 presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

14 Passed by the City Council the ____ day of ____, 1999, and signed by me in open
15 session in authentication of its passage this ____ day of ____, 1999.

16 _____
17 President ____ of the City Council

18 Approved by me this ____ day of ____, 1999.

19 _____
20 Paul Schell, Mayor

21 Filed by me this ____ day of ____, 1999.

22 _____
23 City Clerk

24 (Seal)

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Title Only

ORDINANCE _____

AN ORDINANCE establishing a Downtown Parking and Business Improvement Area; levying special assessments upon the businesses, multifamily residential or mixed-use projects within the area; providing for the deposit of revenues in a special account and expenditures therefrom; providing for collection of and penalties for delinquencies; providing for the establishment of a Ratepayers Advisory Board, and providing for an implementing agreement with a program manager.

WHEREAS, the businesses, multifamily residential or mixed-use projects located within the area and subject to sixty percent or more of the special assessments levied by this ordinance filed a petition with The City of Seattle to establish a Parking and Business Improvement Area pursuant to Chapter 35.87A RCW, which is filed in C.F. 303072 and

WHEREAS, the City adopted Resolution _____, initiating a parking and business improvement area via the resolution method instead of the petition method as provided for by RCW 35.87A.030; and,

WHEREAS, pursuant to RCW 35.87A.040, the City adopted Resolution _____, entitled "A RESOLUTION of intention to establish a Downtown Parking and Business Improvement Area, and fixing a date and place for a hearing thereon," and declaring its intent to establish the same; and,

WHEREAS, the Downtown Business Improvement Area established herein is for the purpose of enhancing conditions for the operation of those businesses, multifamily residential or mixed-use projects; and the budget of the BIA shall be dedicated to activities in addition to basic services provided by The City of Seattle, in accordance with Resolution 29706 and the non-binding Statement of Principles signed by the Mayor and the Chair of the Downtown Seattle Association; and,

WHEREAS, as provided by Resolution _____, published in the Daily Journal of Commerce on _____, 1999, the City Council, through its Business, Economic, and Community Development Committee held a public hearing thereon on June 30, 1999, at and after 5:30 p.m. in the City Council Chambers, 11th Floor Municipal Building, 600 4th Avenue, Seattle, Washington.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Area Established. As authorized by Chapter 35.87A RCW, there is hereby established a Downtown Parking and Business Improvement Area ("Downtown Business Improvement Area" or "DBIA") within the following boundaries and as shown on the map attached as Exhibit "A" (when a street or alley is named, the area boundary is the centerline of the right-of-way including vacated portions unless otherwise specified in the description):



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TIME A 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:

Lex Arago

FOR CITY COUNCIL PRESIDENT USE ONLY

COMMITTEE(S) REFERRED TO:

PRESIDENT'S SIGNATURE

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STATE OF WASHINGTON - KING COUNTY

108498

City of Seattle, City Clerk

—ss.

No. **ORD IN FULL**

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:ORD 119541:W/MAP

was published on

08/02/99

The amount of the fee charged for the foregoing publication is the sum of \$ _____, which amount has been paid in full.

Subscribed and sworn to before me on
08/02/99

Notary Public for the State of Washington,
residing in Seattle

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Affidavit of Publication

east therefrom to 4th Avenue South, then north therefrom to South Washington Street, then east therefrom to 5th Avenue South, then north therefrom to the western edge of Interstate Highway 5, then north therefrom along the eastern side of 6th Avenue to Spring Street, then northeast therefrom between the eastern boundary of Rainier Fountain Park and the western boundary of Interstate 5, to Freeway Park's southern boundary on Seneca Street, then east therefrom inside Freeway Park across Interstate 5 to the park's eastern boundary at Hubbell Place, then northeast therefrom inside the park to University Street, then east therefrom beneath 8th Avenue one-half block to 900 University Street, then north therefrom along the west side of 900 University Street, then east therefrom inside the park to 9th Avenue, then north therefrom on 9th to the intersection of Union Street and Hubbell Place, then northeast therefrom on Hubbell Place to Pike Street, then west therefrom to the western border of Interstate 5, then north therefrom to Denny Way, then west therefrom to the point of beginning.

In case of a conflict between the description of the area and the map, the description shall control.

Section 2. PROGRAMS. Special Assessment revenues shall be used for the following component programs.

A. PUBLIC SAFETY.

The public safety program will identify, report, and act as problem-solvers on public safety issues, in coordination with the

Police Department, mental health and substance abuse programs, and human service agencies.

B. MAINTENANCE. The maintenance program will provide sidewalk sweeping and graffiti removal, special projects to clean up problem areas, monitoring and problem solving for alley maintenance and trash removal problems, and possible routine maintenance of automated public restrooms.

C. MARKETING AND PUBLIC RELATIONS.

The marketing and public relations program will promote a positive image of the assessment area. The program will also track shifts in Downtown's economy, research new opportunities and provide information on impacts of economic changes.

D. RESERVE FUND.

A reserve fund will be maintained in order to compensate for shortfalls in assessment collections and to provide funding for unanticipated expenses and new opportunities.

The listing of services is illustrative and not exclusive. All such activities are supplemental to street maintenance and law enforcement provided by the City and are not intended to displace any services regularly provided by municipal government.

The proposed budget for this program is as follows:

5-YEAR BUDGET PLAN FOR DOWNTOWN BUSINESS IMPROVEMENT AREA

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Public Safety	\$1,036,703	\$1,067,804	\$1,099,838	\$1,132,833	\$1,166,818	\$5,503,996
Maintenance	672,456	692,630	713,409	734,811	756,855	3,570,161
Marketing	420,285	432,894	445,880	459,259	473,034	2,231,352
R & B	168,114	173,157	178,352	183,703	189,214	892,540
Reserve Fund	140,095	144,298	148,627	153,086	157,678	743,784
Management	364,247	375,174	386,430	398,025	409,963	1,933,837
Total	\$2,801,900	\$2,885,957	\$2,972,536	\$3,061,713	\$3,153,562	\$14,875,668

This budget plan shows proposed expenditures based upon assessments collected from ratepayers.

Section 3. LEVY OF SPECIAL ASSESSMENTS. To finance the programs authorized in Section 2, there is levied upon and shall be collected from the businesses, multifamily residential properties (buildings containing more than four residential units), and mixed-use properties (buildings with both multi-family residential and commercial units) (collectively, "Ratepayers") in the Downtown Business Improvement Area described in Section 1, a Five-Year special assessment in an amount not to exceed Fourteen Million, Eight Hundred Seventy Five Thousand, Six Hundred Sixty Eight Dollars (\$14,875,668.00), which amount shall be collected semi-annually. The total assessment is measured by the type of use and rate of assessment in the following table, subject to the calculations and limitations in the Section:

Five-Year Assessment = (Land Square Footage x \$1.5379) + (Total 1997 Assessed Value of Site (Property + Improvements) x \$1,000 x \$1.5927). Records for the assessment calculation and the Ratepayer are based on information provided by the King County Assessor's office for the year 1997, its database, and by on-site surveys. Modifications or limitations to these assessments are described below. No five-year assessment for any individual parcel shall exceed a total amount equal to 9.2909 x (Total Assessed Value/\$1,000). This rate is called the "Benefit Ceiling Rate". For the following special classifications of Ratepayers a Special Benefit Ceiling Rate shall be applied as set forth below to determine the rate most reflective of benefit for that particular class of Ratepayer:

1. Commercial Mixed-Use — \$ 9.29% 1,000 of total assessed value;
2. Surface Parking — \$ 5.31% 1,000 of total assessed value;
3. Multi-Family Residential Apartments: the lesser of: — \$ 3.45% 1,000 of total assessed value or \$ 345.09 per unit;
4. Multi-Family Residential Condominiums: the lesser of: — \$ 1.43% 1,000 of total assessed value or \$ 345.09 per unit;
5. Industrial Warehouse — \$ 1.8581% 1,000 of total assessed value;
6. Multi-Family Residential Apartments possessing a rent restriction covenant: the lesser of: — \$.93% 1,000 of total assessed value or \$ 39.82 per unit;
7. Hotel: the lesser of: — \$ 7.95% 1,000 of total assessed value or \$ 292.00 a room;
8. Non Residential (Owned by a Non-Profit) — \$ 1.86% 1,000 of total assessed value;
9. Piers — \$.32 per square foot of pier area.

Ratepayers shall pay the lesser of the Benefit Ceiling Rate or the Special Benefit Ceiling Rate, as the case may be, with the exception of piers, which shall pay the Special Benefit Ceiling Rate. Property owned by governmental entities or public utilities, and land that is vacant, shall not be assessed. All businesses, multifamily residential or multi-use projects within the area shall be subject to the provisions of this special assessment as authorized by RCW 35.87A.010.

Section 4. RATE CHANGES. Changes in the assessment rate shall only be made by ordinance and as authorized in RCW 35.87A.140.

Section 5. DEPOSIT OF REVENUES. There is hereby established in the City Treasury's Business Improvement Area Fund, a separate subaccount designated the Downtown Business Improvement Area Account (called "the Account"). The following monies shall be deposited in the Account:

- (a) All revenues from special assessments levied under this ordinance;
- (b) All income to the City from public events, financed with special assessments;
- (c) Gifts and donations for the Account;
- (d) Interest and all other income from the investment of Account deposits;
- (e) Reimbursement for expenditures made from the Account and reimbursements due to the Account.

Section 6. COLLECTION SCHEDULE. Special assessments shall be collected on a semi-annual basis. The Director, Executive Services Department, or the Director's designee ("Director") may change the billing frequency by directive. A copy of the directive shall be mailed to all Ratepayers not less than 90 days before the new billing cycle is to take effect.

Section 7. DELINQUENT PAYMENTS. If an assessment has not been paid within thirty (30) days after its due date, the Director shall send a reminder notice and add a Five Dollar (\$5.00) processing fee. If the assessment is not paid within sixty (60) days after its due date, a delinquency charge shall be added in the amount of ten percent (10%) of the assessment in addition to an additional Five Dollar (\$5.00) processing fee. All assessments that are not paid within sixty (60) days of the due date shall also bear interest from the due date at twelve percent (12%) per annum. The Director is authorized to bring an action to

day-to-day operations of the Business Improvement Area program, on all matters related to the operation of the program.

The Ratepayers Advisory Board shall meet at least once quarterly; recommend an annual work program and budget; address and discuss Ratepayer concerns and questions regarding the DBIA district and program; review all reports submitted to the Department by the program manager; and sponsor an annual Ratepayers' meeting.

At the annual Ratepayers' meeting, the Board shall submit for approval its proposed work plan and budget for the next year, and its recommendation regarding whether to continue with the current program manager. The work plan, budget, and recommendation regarding whether to continue with the current program manager must be approved by a majority vote of the Ratepayers attending the meeting.

Section 12. ADMINISTRATION. The Director shall administer the program for the City with authority to:

- (a) Classify Ratepayers within the types of use under Section 3 and resolve ambiguities in the application of rates;
- (b) Collect the special assessments; refund special assessments when overpaid or otherwise improperly collected; extend the deadline for payment and waive delinquency charges and interest whenever the delinquency results from extenuating circumstances beyond the Ratepayer's control, such as a casualty loss causing premature closure of the business or bankruptcy or the total payment due to the City (exclusive of penalty and interest) is Ten Dollars (\$10.00) or less; and exempt homes for which the King County Assessor has granted an exemption from property taxes under RCW 84.36.381 - 389 on account of the low income status of the owner - resident;
- (c) Calculate and collect the interest for late payments;
- (d) After receiving the recommendation of the Ratepayers at their annual meeting, execute an annual program management contract with a Program Manager;
- (e) Accept and deposit advance payment of assessments by ratepayers; accept donations from governmental agencies, the public, and owners and operators of businesses on land that is developed or redeveloped during the existence of the DBIA for DBIA programs.

Section 13. CONTRACT FOR PROGRAM MANAGEMENT. The Director is authorized to contract with a Program Manager, after receiving the recommendation of the Ratepayers at the annual meeting, to administer the projects and activities. It is the intent of the City Council that the Director contract with the Downtown Seattle Association to administer the program during the initial year, and for each year thereafter for as long as the Ratepayers concur in its continuation as the Program Manager. The selection of a Program Manager upon the recommendation of the Ratepayers shall obviate compliance with the consultant selection procedures of Seattle Municipal Code Chapter 3.114 and Section 20.46A.170. The Seattle Police Department shall review any proposed contract for private security.

Section 14. COMMENCEMENT OF ASSESSMENTS. Assessments shall commence as of the effective date of this ordinance.

Section 15. RATIFICATION AND CONFIRMATION. The making of contracts and expenditures and the sending of assessment notices pursuant to the authority and prior to the effective date of this ordinance are hereby ratified and confirmed.

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, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the 19th day of July, 1999 and signed by me in open session in authentication of its passage this 19th day of July, 1999.

SUE DONALDSON,
President of the City Council.
Approved by me this 23rd day of July, 1999.

PAUL SCHELL,
Mayor.
Filed by me this 26th day of July, 1999.
(Seal) ERIN DORNFIELD,
Acting City Clerk.
Publication ordered by JUDITH PIPPIN,
City Clerk.

Date of official publication in Daily Journal of Commerce, Seattle, August 2, 1999.
8/2(108498)

City of Seattle

ORDINANCE 119541

AN ORDINANCE establishing a Downtown Parking and Business Improvement Area; levying special assessments upon the businesses, multifamily residential or mixed-use projects within the area; providing for the deposit of revenues in a special account and expenditures therefrom; providing for collection of and penalties for delinquencies; providing for the establishment of a Ratepayers Advisory Board, and providing for an implementing agreement with a program manager.

WHEREAS, the businesses, multifamily residential or mixed-use projects located within the area and subject to sixty percent or more of the special assessments levied by this ordinance filed a petition with The City of Seattle to establish a Parking and Business Improvement Area pursuant to RCW 35.87A, which is filed in C.F. 303072; and,

WHEREAS, the City adopted Resolution 29966, initiating a parking and business improvement area via the resolution method instead of the petition method as pro-

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City of Seattle

ORDINANCE 119641

AN ORDINANCE establishing a Downtown Parking and Business Improvement Area; levying special assessments upon the businesses, multifamily residential or mixed-use projects within the area; providing for the deposit of revenues in a special account and expenditures therefrom; providing for collection of and penalties for delinquency; providing for the establishment of a Ratepayers Advisory Board, and providing for an implementing agreement with a program manager.

WHEREAS, the businesses, multifamily residential or mixed-use projects located within the area and subject to sixty percent or more of the special assessments levied by this ordinance filed a petition with The City of Seattle to establish a Parking and Business Improvement Area pursuant to RCW 35.87A, which is filed in C.F. 303072; and,

WHEREAS, the City adopted Resolution 29965, initiating a parking and business improvement area via the resolution method instead of the petition method as provided for by RCW 35.87A.030; and,

WHEREAS, pursuant to RCW 35.87A.040, the City on June 7, 1999 adopted Resolution 29965, entitled "A RESOLUTION of intention to establish a Downtown Parking and Business Improvement Area, and fixing a date and place for a hearing thereon," and declaring its intent to establish the same; and,

WHEREAS, the Downtown Business Improvement Area ("BIA") established herein for the purpose of enhancing conditions for the operation of those businesses, multifamily residential or mixed-use projects, and the budget of the BIA shall be dedicated to activities in addition to basic services provided by The City of Seattle, in accordance with Resolution 29706 and the non-binding Statement of Principles signed by the Mayor and the Chair of the Downtown Seattle Association; and,

WHEREAS, as provided by Resolution 29965, published in the Daily Journal of Commerce on June 11, 1999, the City Council, through its Business, Economic, and Community Development Committee held a public hearing thereon on June 30, 1999, at and after 5:30 p.m. in the City Council Chambers, 11th Floor, Municipal Building, 600 4th Avenue, Seattle, Washington.

Now, Therefore, BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. AREA ESTABLISHED. As authorized by Chapter 35.87A RCW, there is hereby established a Downtown Parking and Business Improvement Area ("Downtown Business Improvement Area" or "DBIA") within the following boundaries and as shown on the map attached as Exhibit "A" (when a street or alley is named, the area boundary is the centerline of the right-of-way including vacated portions unless otherwise specified in the description):

From the center of the intersection of 4th Avenue and Denny Way, then south therefrom along 4th Avenue to Cedar Street, then east therefrom to the alley between 4th and 5th Avenues, then south therefrom to Vine Street, then east therefrom to Lenora Street, then west therefrom to the Alaskan Way Viaduct, then north along the Alaskan Way Viaduct to Elliott Avenue, then west therefrom to Bay Street, then west therefrom to the outer harbor line, then south therefrom (including from Pier 71 to Pier 47) to the intersection of South Jackson Street and Alaskan Way, then south therefrom to South King Street, then

by the type of use and rate of use, subject to the calculations and limitations in the Section:

Five-Year Assessment = (Land Square Footage x \$1.5379) + (Total 1997 Assessed Value of Site (Property + Improvements) x \$1.000 x \$1.5379). Records for the assessment calculation and the Ratepayer are based on information provided by the King County Assessor's office for the year 1997, its database, and by on-site surveys. Modifications or limitations to these assessments are described below. No five-year assessment for any individual parcel shall exceed a total amount equal to \$2,200 x (Total Assessed Value/\$1,000). This rate is called the "Benefit Ceiling Rate". For the following special classifications of Ratepayers a Special Benefit Ceiling Rate shall be applied as set forth below to determine the rate most reflective of benefit for that particular class of Ratepayer:

1. Commercial Mixed-Use — \$ 9.29/1,000 of total assessed value;
2. Surface Parking — \$ 5.31/1,000 of total assessed value;
3. Multi-Family Residential Apartments: the lesser of — \$ 3.45/1,000 of total assessed value or \$ 345.09 per unit;
4. Multi-Family Residential Condominiums: the lesser of — \$ 1.43/1,000 of total assessed value or \$ 345.09 per unit;
5. Industrial Warehouse — \$ 1.8581/1,000 of total assessed value;
6. Multi-Family Residential Apartments possessing a rent restriction covenant: the lesser of — \$ 93/1,000 of total assessed value or \$ 39.82 per unit;
7. Hotel: the lesser of — \$ 7.95/1,000 of total assessed value or \$ 292.00 a room;
8. Non Residential (Owned by a Non-Profit) — \$ 1.86/1,000 of total assessed value;

13.9. Fees — \$.32 per square foot of pier area.

Ratepayers shall pay the lesser of the Benefit Ceiling Rate or the Special Benefit Ceiling Rate, as the case may be, with the exception of piers, which shall pay the Special Benefit Ceiling Rate. Property owned by governmental entities or public utilities, and land that is vacant, shall not be assessed. All businesses, multifamily residential or multi-use projects within the area shall be subject to the provisions of this special assessment as authorized by RCW 35.87A.010.

Section 4. RATE CHANGES. Changes in the assessment rate shall only be made by ordinance and as authorized in RCW 35.87A.140.

Section 5. DEPOSIT OF REVENUES. There is hereby established in the City Treasury's Business Improvement Area Fund, a separate subaccount designated the Downtown Business Improvement Area Account (called "the Account"). The following monies shall be deposited in the Account:

- (a) All revenues from special assessments levied under this ordinance;
- (b) All income to the City from public events financed with special assessments;
- (c) Gifts and donations for the Account;
- (d) Interest and all other income from the investment of Account deposits;
- (e) Reimbursement for expenditures made from the Account and reimbursements due to the Account.

Section 6. COLLECTION SCHEDULE. Special assessments shall be collected on a semi-annual basis. The Director, Executive Services Department, or the Director's designee ("Director") may change the billing frequency by directive. A copy of the directive shall be mailed to all Ratepayers not less than 90 days before the new billing cycle is to take effect.

Section 7. DELINQUENT PAYMENTS. If an assessment has not been paid within thirty (30) days after its due date, the Director shall send a reminder notice and a Five Dollar (\$5.00) processing fee. If the assessment is not paid within sixty (60) days after its due date, a delinquency charge shall be added in the amount of ten percent (10%) of the assessment in addition to an additional Five Dollar (\$5.00) processing fee. All assessments that are not paid within sixty (60) days of the due date shall also bear interest from the due date at twelve percent (12%) per annum. The Director is authorized to bring an action to collect any unpaid assessments in any court of competent jurisdiction in King County.

Section 8. NOTICES. Notices of assessment, installment payments, or delinquency, and all other notices contemplated by this ordinance may be sent by ordinary mail or delivered by the City to the address shown on the records of the Director, and, if no address is shown there, to the address shown on the records of the County Assessor. Failure of the Ratepayer to receive any mailed notice shall not release the Ratepayer from the duty to pay the assessment and any interest and delinquency charges on the due date.

Section 9. DISPUTES. Any Ratepayer aggrieved by the amount of an assessment or delinquency charge may on request obtain a meeting with the Director or the Director's designee. If not satisfied, the Ratepayer may appeal the matter to the City's Hearing Examiner in the manner provided for a contested case under Chapter 3.02 of the Seattle Municipal Code. The Ratepayer has the burden of proof to show that the assessment or delinquency fee is incorrect.

Section 10. EXPENDITURES. Expenditures from the Account shall be made upon vouchers drawn by the Director and shall be used exclusively for the statutory purposes each as more fully defined in Section 2.

Section 11. RATEPAYERS ADVISORY BOARD. The Director shall appoint an interim Ratepayers Advisory Board comprised of Ratepayers from the Area within thirty days of the effective date of this ordinance. The Director shall solicit recommendations from the Ratepayers, and shall appoint the interim board from that list. The interim Ratepayers Advisory Board will recommend a permanent Ratepayers Advisory Board (the "Board") within ninety days of the effective date of this ordinance. The composition of the Board shall be representative of both the entire geographic area of the District and representative of the special classifications in Section 2.

The Director may appoint additional members to the Ratepayers Advisory Board to ensure that a broad representation of Ratepayers is provided. The additional members so appointed shall not exceed one-third (1/3) of the entire membership of the Board.

The Ratepayers Advisory Board shall be responsible for adopting bylaws and policy guidelines, providing advice and consultation to the Department initially, and to any individual or agency hired to manage the

must be approved by the City Council, the Ratepayers attending the meeting.

Section 12. ADMINISTRATION. The Director shall administer the program for the City with authority to:

- (a) Classify Ratepayers within the types of use under Section 3 and resolve ambiguities in the application of rates;
- (b) Collect the special assessments; refund special assessments when overpaid or otherwise improperly collected; extend the deadline for payment and waive delinquency charges and interest whenever the delinquency results from extenuating circumstances beyond the Ratepayer's control, such as a casualty loss causing premature closure of the business or bankruptcy or the total payment due to the City (exclusive of penalty and interest) is Ten Dollars (\$10.00) or less; and exempt homes for which the King County Assessor has granted an exemption from property taxes under RCW 84.56.381 - 389 on account of the low income status of the owner - resident.

(c) Calculate and collect the interest for late payments;

(d) After receiving the recommendation of the Ratepayers at their annual meeting, execute an annual program management contract with a Program Manager;

(e) Accept and deposit advance payment of assessments by ratepayers; accept donations from governmental agencies, the public, and owners and operators of businesses on land that is developed or redeveloped during the existence of the DBIA for DBIA programs.

Section 13. CONTRACT FOR PROGRAM MANAGEMENT. The Director is authorized to contract with a Program Manager, after receiving the recommendation of the Ratepayers at the annual meeting, to administer the projects and activities. It is the intent of the City Council that the Director contract with the Downtown Seattle Association to administer the program during the initial year, and for each year thereafter for as long as the Ratepayers consent in its continuation as the Program Manager. The selection of a Program Manager upon the recommendation of the Ratepayers shall obviate compliance with the consultant selection procedures of Seattle Municipal Code Chapter 3.114 and Section 20.46A.170. The Seattle Police Department shall review any proposed contract for private security.

Section 14. COMMENCEMENT OF ASSESSMENTS. Assessments shall commence as of the effective date of this ordinance.

Section 15. RATIFICATION AND CONFIRMATION. The making of contracts and expenditures and the sending of assessment notices pursuant to the authority and prior to the effective date of this ordinance are hereby ratified and confirmed.

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, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the 19th day of July, 1999 and signed by me in open session in authentication of its passage this 19th day of July, 1999.

SUE DONALDSON,
President of the City Council.
Approved by me this 23rd day of July, 1999.

PAUL SCHELL,
Mayor.
Filed by me this 26th day of July, 1999.
(Seal) ERNIE DORNFIELD,
Acting City Clerk.
Publication ordered by JUDITH PIPPIN,
City Clerk.

Date of official publication in Daily Journal of Commerce, Seattle, August 2, 1999.
8/2(106498)

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