

FISCAL NOTE FOR NON-CAPITAL PROJECTS

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

Legislation Title:

A RESOLUTION to initiate a University District Parking and Business Improvement Area.

Summary of the Legislation:

This Resolution initiates a new and expanded University District Parking and Business Improvement Area (University District BIA) and is the first of two similar pieces of legislation that must be prepared, per RCW 35.87A. The legislation includes a Resolution to set a public hearing date and location. Subsequently, the Council may introduce an ordinance to create the University District BIA after the public hearing has taken place.

Background:

The U District Partnership put together a proposal recommending the creation of a new and expanded University District BIA, and disestablishing the current BIA that has been operating since 1996. The U District Partnership believes its proposal is efficient, accountable, and responsive to the area's needs. The group collected signatures for a petition to form a business improvement area that will allow for the implementation of the University District BIA business plan that would include the following program components:

- A. Events and marketing;
- B. Policy and advocacy;
- C. Cleaning and public safety;
- D. Economic development;
- E. Planning;
- F. Program management.

The petitioning effort resulted in a show of financial support by ratepayers who would pay nearly 65% of the total special assessment revenues. The special assessment will be levied upon the owners of business, multi-family residential, and mixed use properties within its boundaries. The University of Washington, which owns several parcels within the proposed University District BIA, will pay a flat annual fee of \$350,000 (plus an inflationary factor in subsequent years), which is nearly 50% of the total annual assessments. Assessments will commence as of May 1, 2015, or the effective date of this ordinance, whichever is later. The new University District BIA will be overseen by a Ratepayer Advisory Board, which would be broadly representative of the ratepayers.

This legislation does not have any financial implications.

This legislation has financial implications.

Appropriations:

Fund Name and Number	Department	Budget Control Level*	2014 Appropriation	2015 Anticipated Appropriation
TOTAL				

Appropriations Notes: No appropriation authority is required to expend these funds.

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Department	Revenue Source	2014 Revenue	2015 Revenue
1989x BIA- University District	Finance and Administrative Services	Ratepayer Assessments	\$0	\$ 495,000
TOTAL			\$0	\$ 495,000

Revenue/Reimbursement Notes: The 2015 revenue amount represents ratepayer assessment collections for two-thirds of a full year, with assessments commencing on May 1, 2015. In 2016, estimated revenue is \$743,000 plus inflationary adjustments. FAS would collect the assessments from the ratepayers, but the funds would then be kept by FAS only for reimbursement to the University District BIA.

Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:

Position Title and Department	Position # for Existing Positions	Fund Name & #	PT/FT	2014 Positions	2014 FTE	2015 Positions*	2015 FTE*
TOTAL							

Position Notes: None.

Do positions sunset in the future? Not applicable.

Spending/Cash Flow:

Fund Name & #	Department	Budget Control Level*	2014 Expenditures	2015 Anticipated Expenditures
1989x BIA-University District	Finance and Administrative Services	Not applicable.	\$0	\$ 495,000
TOTAL			\$0	\$ 495,000

Spending/Cash Flow Notes: The Department of Finance and Administrative Services will collect the BIA assessments from its ratepayers. FAS holds the funds solely for the purpose of reimbursing the University District BIA for administering staffing, projects, and other costs associated with the BIA.

Other Implications:

- a) **Does the legislation have indirect financial implications, or long-term implications?**
No.
- b) **What is the financial cost of not implementing the legislation?** None. The University District BIA is established as a revenue-neutral program.
- c) **Does this legislation affect any departments besides the originating department?**
No.
- d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?** None. Improvement area services are in addition to, and not a replacement of, basic City services, and are funded by assessments on the properties that benefit from the services. If the legislation is not passed, the services under the improvement area will not be provided.
- e) **Is a public hearing required for this legislation?** No.
- f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?** No.
- g) **Does this legislation affect a piece of property?** Yes.
- h) **Other Issues:** None.

List attachments to the fiscal note below: None.