

RESOLUTION No. 31437

TBJ

A RESOLUTION of intention to establish a Downtown Parking and Business Improvement Area, and fixing a date and place for a hearing thereon.

Date: *3/20/2013*
Recommendation: *PASS*
Vote: *10-3-0*
SC
NL

Introduced: 3-18-13 By: Government Performance & Finance

Referred: _____ To: _____

Referred: _____ To: _____

Reported: _____

Passed: 3/25/13 Signed: 3/25/13

Filed: 3/25/13 Published: Full

Full Council March 25, 2013 Adopted 9-0

US5171

Law Department

SMEAD 14 YSP 17304

CITY OF SEATTLE
RESOLUTION 31437

A RESOLUTION of intention to establish a Downtown Parking and Business Improvement Area, and fixing a date and place for a hearing thereon.

WHEREAS, the operators of businesses, multi-family residential, or mixed use properties that are subject to 60 percent or more of the special assessments that would be assessed upon the establishment of a Business Improvement Area filed a petition with The City of Seattle pursuant to Chapter 35.87A RCW, and said petition is filed in C.F. 312838; and

WHEREAS, upon reviewing the petition, the City Council determined it is in the best interests of the City to proceed, as permitted by Chapter 35.87A.030, under the Resolution method of creating a new and expanded Downtown Parking and Business Improvement Area to be known as the Metropolitan Improvement District ("MID") instead of the petition method; and

WHEREAS, the City Council introduced Resolution 31436 on March 18, 2013, initiating the MID; and

WHEREAS, the City Council wishes to declare its intent to establish the MID, and to set a public hearing for the public and all affected persons to consider its establishment; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE THAT:

Section 1. The City Council of The City of Seattle declares its intention to establish the Downtown Parking and Business Improvement Area in accordance with Chapter 35.87A RCW to be known as the Metropolitan Improvement District ("MID").

Section 2. The MID shall be within the following boundaries 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 corner of Elliott Avenue and Denny Way, proceed west to Elliott Bay; then proceed south along



1 the waterfront to Alaskan Way and Broad Street; then proceed south along Alaskan Way,
2 including the piers, to South King Street; then proceed east on South King Street to Railroad
3 Way South; then proceed southeast along Railroad Way South to 1st Avenue South; then
4 proceed east along southern boundary of parcel number 7666206851 to Occidental Avenue
5 South; then proceed north on Occidental Avenue South to South King Street; then proceed east
6 on South King Street, including properties on the south side of South King Street, to 4th Avenue
7 South; then proceed north on 4th Avenue South to South Washington Street; then proceed east
8 on South Washington Street to 6th Avenue South; then proceed north along 6th Avenue South
9 and 6th Avenue to Marion Street; then proceed north along Interstate-5 to Denny Way; then
10 proceed west along Denny Way to Elliott Avenue. In case of a conflict between the description
11 of the area and the map, the description shall control.
12
13

14 **Section 3. Programs.** Special Assessment revenues shall be used for the following
15 component programs:
16

- 17 1. Clean Services
- 18 2. Safety Outreach and Hospitality
- 19 3. Marketing and Communications Services
- 20 4. Businesses Development and Market Research Services
- 21 5. Transit, Bike and Parking Services
- 22 6. Management.

23 The listing of services is illustrative and not exclusive. All such activities are supplemental to
24 street maintenance and law enforcement provided by the City and are not intended to displace
25 any services regularly provided by municipal government.
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1 **Section 4.** Ratepayers Advisory Board. There shall be an advisory board whose
2 membership is comprised of Ratepayers representative of the variety of locations, sizes and
3 classifications of Ratepayers in the District.

4
5 **Section 5.** To finance the programs authorized in Section 3, there is proposed to be
6 levied upon and shall be collected from the operators of business property, multi-family
7 residential property (buildings containing four or more residential units), and mixed-use property
8 (multi-family residential and commercial) located within the boundaries of the MID described in
9 Section 2, a ten-year special assessment. Ratepayers will be assessed by the City for ten annual
10 installments beginning with the base year of the authorization (2013-2014), by applying an
11 assessment rate to each ratepayer as described below:
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13
14 A. Base Year Assessment = $(\$0.32 \times \text{Land Square Footage}) + (\$0.37 \times (\text{Total Taxable Value (Land + Improvements)/\$1,000}))$. This calculation is called the "Base Formula."
15 Records for the initial assessment calculation are based on information provided by the
16 King County Assessor's office for the year 2012. Modifications or limitations to the Base
17 Year Assessments are described below.

18 B. TAV Ceiling. No Base Year Assessment for any individual parcel shall exceed an
19 amount equal to $(\$1.84 \times (\text{Total Appraised Value}/\$1,000))$. This rate is called the "TAV
20 Ceiling."

21 C. Building Square Footage Ceiling. No Base Year Assessment for any individual
22 parcel shall exceed an amount equal to $(\$0.17 \times \text{Net Building Square Footage})$. This rate
23 is called the "Building Square Footage Ceiling."

24 D. Special Assessment Ceiling Rate. For the following special classifications of
25 Ratepayers (using King County Assessor's Present Use Code), a Special Assessment
26 Ceiling Rate as set forth below shall be applied to the Base Year Assessment:

27 1. Hotel Room Ceiling: \$80 per room
28



2. Residential Unit Ceiling: \$125 per unit. This ceiling applies equally to owned (i.e., condominium) and to rental (i.e., apartment) units.

3. Surface Parking Ceiling: $(\$0.70 \times (\text{Total Appraised Value}/\$1,000))$

E. If the Total Appraised Value and Total Taxable Value in the King County Assessor's records are not equal, then using the King County Assessor's notations about "Tax Value Reason" (TVR), nonprofit rates or other special criteria may apply under the following rules:

1. If TVR is "OP" (Operating Property), then use Appraised Value.

2. If TVR is "HP" (Historic Property), then use Taxable Value.

3. If TVR is "NP" (Nonprofit Org.), then use Taxable Value and calculate the Base Year Assessment as 25% of the Base Formula. 25% of the Base Formula is called the Nonprofit Rate.

4. If TVR is "EX" or "MX" (Exempt from Taxes), then review the property in detail, and:

a. If the property is owned and operated by a governmental organization, it is exempt from mandatory MID assessment.

b. If the property is owned and operated by a nonprofit organization, the Base Year Assessment is calculated using Taxable Value and the Nonprofit Rate.

c. If the property is owned by a for profit organization, the Base Year Assessment is calculated using Appraised Value.

d. For the following properties, special circumstances require assessment calculations reflecting the unique nature of the ownership and use for each property.

i. For 2821 Alaskan Way and related overwater parcels, known as Pier 70 Ainsworth & Dunn Wharf:

a. PIN#7666202292 is exempt;

b. PIN#7666202290 will be assessed normally.

ii. For 2411 Alaskan Way and related overwater parcels, known as Edgewater Inn:



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- a. PIN#7666202310 will be assessed normally;
- b. PIN#7666202312 is exempt;
- c. PIN#7666202315 is exempt;
- d. PIN#7666202317 is exempt.

iii. For 1515 Alaskan Way and related overwater parcels, known as Pier 59 Seattle Aquarium:

- a. PIN#7666202420 will be assessed at the nonprofit rate;
- b. PIN#7666202422 is exempt.

iv. For 1301 Alaskan Way and related overwater parcels, known as Pier 57 Bay Pavilion:

- a. PIN#7666202433 is exempt;
- b. PIN#7666202435 will be assessed normally.

v. For 1201 Alaskan Way and related overwater parcels, known as Piers 55 & 56:

- a. PIN#7666202485 will be assessed normally;
- b. PIN#7666202487 is exempt.

vi. For 1003 Alaskan Way and related overwater parcels, known as Pier 54 Ivars Acres of Clams:

- a. PIN#7666202495 will be assessed normally;
- b. PIN#7666202497 is exempt.

vii. 1301 Fifth Avenue (King County PIN#0002400003), known as RAINIER PLAZA FAIRMONT OLYMPIC HOTEL will be assessed at 450 rooms multiplied by the Hotel Room Ceiling (initially \$80/room/year and subject to the Inflationary Factor according to the provisions of this ordinance).

viii. For 1326 Fifth Avenue and related parcels (King County PIN#0002400002), known as SKINNER-IBM-WASH-COBB-FIN-BLDS:

- a. COBB BLDG - RENOVATION TO APTS; SKINNER BLDG; FINANCIAL TOWER; I B M BLDG; PUGET SOUND PLAZA will be assessed at \$0.0875/Net Building



1 Square Foot. This rate will increase at the same
2 Inflationary Factor as applied other properties according to
3 this ordinance.

4 ix. For 1415 Seneca Street (King County PIN#0942000170),
5 known as Olympic Hotel Parking Garage the assessment will be
6 calculated using Total Appraised Value (TAV) instead of Total
7 Taxable Value in the Base Formula.

8 5. If TVR is blank, then use Taxable Value.

9 F. When more than one Assessment Ceiling Rate applies to a single parcel, Ratepayers
10 shall pay the lesser of the applicable Assessment Ceilings.

11 G. Properties owned by governmental entities and public utilities will not be assessed
12 except as provided in subsection E.4.

13 H. To maintain the current level of services and benefits provided by MID, annual
14 assessment rate increases shall be applied consistent with this subsection.

15 1. Assessments in the second and third assessment years, as adjusted pursuant to
16 this subsection, shall be based upon the same property values as in the first
17 assessment year. In the fourth assessment year (2016-2017), the Base Formula
18 shall be calculated using the most recent Total Appraised Value, Total Taxable
19 Value, Land Square Footage, Net Building Square Footage, and other information
20 from the King County Assessor's Office, or the commensurate values from the
21 first assessment year, whichever is greater. Assessments in the fifth and sixth
22 assessment years, as adjusted pursuant to this subsection, shall be based upon the
23 same property values as in the fourth assessment year. In the seventh assessment
24 year (2019-2020), the Base Formula shall be calculated using the most recent
25 Total Appraised Value, Total Taxable Value, Land Square Footage, Net Building
26 Square Footage, and other information from the King County Assessor's Office,
27 or the commensurate values from the first or fourth assessment years, whichever
28 is greater. Assessments in the eighth, ninth, and tenth assessment years, as
adjusted pursuant to this subsection, shall be based upon the same property values
as in the seventh assessment year.

2. After the first assessment year, the Land Square Footage rate, and the ceilings
for TAV, Building Square Footage, Hotel Room, and Residential Unit rates shall
be adjusted by an Inflationary Factor, which will be equal to the change in the
annual Consumer Price Index for All Urban Consumers in Seattle – Tacoma –
Bremerton ("CPI"), or three percent per year, whichever is less, subject to the
following conditions:



- a. Second Assessment Year (2014 – 2015): The Inflationary Factor will be calculated using the change in the annual CPI from 2012 to 2013.
- b. Third Assessment Year (2015 – 2016): The Inflationary Factor will be calculated using the change in the annual CPI from 2013 to 2014.
- c. Fourth Assessment Year (2016 – 2017): The Inflationary Factor will be calculated using the change in the annual CPI from 2014 to 2015.
- d. Fifth Assessment Year (2017 – 2018): The Inflationary Factor will be calculated using the change in the annual CPI from 2015 to 2016.
- e. Sixth Assessment Year (2018 – 2019): The Inflationary Factor will be calculated using the change in the annual CPI from 2016 to 2017.
- f. Seventh Assessment Year (2019 – 2020): The Inflationary Factor will be calculated using the change in the annual CPI from 2017 to 2018.
- g. Eighth Assessment Year (2020 – 2021): The Inflationary Factor will be calculated using the change in the annual CPI from 2018 to 2019.
- h. Ninth Assessment Year (2021 – 2022): The Inflationary Factor will be calculated using the change in the annual CPI from 2019 – 2020.
- i. Tenth Assessment Year (2022 – 2023): The Inflationary Factor will be calculated using the change in the annual CPI from 2020 to 2021.

3. Notwithstanding the provisions of subsection H.2, the following shall apply:

- a. The Base Formula rate for the Total Taxable Value portion of the calculation will not exceed \$0.37.
- b. The Base Formula rate for the Land Square Footage portion of the calculation will not exceed \$0.32 x the cumulative Inflationary Factor.
- c. The TAV Ceiling rate will not exceed \$1.84 x the cumulative Inflationary Factor.
- d. The Building Square Footage Ceiling rate will not exceed \$0.17 x the cumulative Inflationary Factor.



1 e. The Hotel Room Ceiling rate will not exceed \$80 x the cumulative
Inflationary Factor.

2 f. The Residential Unit Ceiling rate will not exceed \$125 x the cumulative
3 Inflationary Factor.

4 g. The Surface Parking Ceiling rate will not exceed \$0.70.

5 h. In applying annual rate increases to Ratepayers' assessments, any
6 revisions to Base Formula and assessment ceiling rates will be rounded to
7 the nearest one-hundredth of one cent (\$0.0001).

8 4. "New benefit areas" shall be added to the assessment roll on an annual basis,
9 as follows. A "new benefit area" is created when a parcel's net building square
10 footage increases as a result of either a new building or expansion of an existing
11 building. A new benefit area shall be added to the MID assessment roll as of July
12 1 if its value has been added to the King County Assessor assessment roll during
the preceding year. The new benefit area shall be assessed according to the Base
Formula factors and Assessment Ceiling rates in effect during the assessment
year.

13 **Section 6.** A hearing shall be held on this matter before the Government Performance
14 and Finance Committee in the City Council Chambers, City Hall, 600 Fourth Avenue, 2nd Floor,
15 Seattle, Washington 98104 on Tuesday, April 16, 2013, at 5:30 p.m., or as soon thereafter as the
16 same may be heard. The City Council will hear all protests and receive all evidence for or against
17 the proposed action.

18
19 **Section 7.** The City Clerk is requested to publish this Resolution in a newspaper of
20 general circulation in Seattle and mail a complete copy of this Resolution to each prospective
21 Ratepayer within the proposed area, at least ten days prior to the hearing. The notice shall
22 include a statement that a copy of the proposed ordinance, with attachments, may be examined
23 electronically at <http://www.seattle.gov/leg/clerk/> on the Internet, or in paper form at the Office
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1 of the City Clerk, City Hall, 600 Fourth Avenue, 3rd Floor, Seattle, Washington 98104, or will
2 be mailed upon request.

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4 Adopted by the City Council the 25th day of March, 2013, and
5 signed by me in open session in authentication of its adoption this 25th day
6 of March, 2013.

7 
8 President _____ of the City Council

9
10 Filed by me this 25th day of March, 2013.

11 
12 _____
13 Monica Martinez Simmons, City Clerk

14
15 (Seal)

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17 Exhibit A: Metropolitan Improvement District – Service Area



Boundaries

EXHIBIT A. Metropolitan Improvement District – Service Area



The renewed and expanded Metropolitan Improvement District will cover the area generally between Elliott Bay and Interstate-5, and between Denny Way and the sports stadiums to the south.

Exhibit A to FAS MID DBIA
Intention to Establish RES



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 of intention to establish a Downtown Parking and Business Improvement Area, and fixing a date and place for a hearing thereon.

Summary of the Legislation:

This Resolution is the second of two similar resolutions that must be prepared, per RCW 35.87A, to form a new and expanded Downtown Parking and Business Improvement Area to be known as the Metropolitan Improvement District (“MID”). This resolution declares a public hearing date and place for the initiative. After the public hearing, the Council may propose a bill to create the MID with a special assessment on operators of businesses, multi-family residential or mixed use properties within the boundaries of the MID to pay for activities intended to increase economic vitality in the Area. This subsequent bill will likely establish the new MID with the boundaries as shown in Exhibit A to the Resolution.

Background:

The existing MID, which was established in 2004, expires on June 30, 2014. A proposal was developed by the MID’s Ratepayer Advisory Board recommending the continuation and expansion of the current MID. The Board developed a proposal that they believe to be efficient, accountable, and responsive to the area’s needs. The Board collected signatures for a petition to form a Business Improvement Area that will allow for the implementation of the MID business plan that would include the following program components:

1. Clean Services
2. Safety Outreach and Hospitality
3. Marketing and Communications Services
4. Businesses Development and Market Research Services
5. Transit, Bike and Parking Services
6. Management

The petitioning effort resulted in an approximate 62% show of support by more than 500 of the affected ratepayers. This exceeds the required demonstration of 60% financial support from the responsible ratepayers



The MID is expected to be funded by a special assessment levied on operators of businesses, multi-family residential or mixed use properties within its boundaries. The new MID will be overseen by a Ratepayer Advisory Board, which would be broadly representative of the ratepayers in the area covered by the improvement district.

Please check one of the following:

This legislation does not have any financial implications.

This legislation has financial implications.

Appropriations:

Fund Name and Number	Department	Budget Control Level*	2013 Appropriation	2014 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	2013 Revenue	2014 Revenue
19855 Metropolitan Improvement District	Finance and Administrative Services	Ratepayer Assessments	\$ 3,830,000	\$ 7,780,000
TOTAL			\$ 3,830,000	\$ 7,780,000

Revenue/Reimbursement Notes: The 2013 revenue amount represents ratepayer assessment collections for six months (July through December).

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	2013 Positions	2013 FTE	2014 Positions*	2014 FTE*
TOTAL							

Do positions sunset in the future? Not applicable.



Spending/Cash Flow:

Fund Name & #	Department	Budget Control Level*	2013 Expenditures	2014 Anticipated Expenditures
19855 Metropolitan Improvement Area	Finance and Administrative Services	Not applicable	\$ 3,830,000	\$ 7,780,000
TOTAL			\$ 3,830,000	\$ 7,780,000

Spending/Cash Flow Notes: The Department of Finance and Administrative Services will collect the MID's assessments from its ratepayers. FAS would then hold the funds solely for the purpose of reimbursing the Metropolitan Improvement District, which would actually administer staffing, projects, and other costs associated with the MID.

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 MID 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?** Yes. After adoption, this resolution must be published.
- g) **Does this legislation affect a piece of property?** Yes.
- h) **Other Issues:** None.

List attachments to the fiscal note below: None.





City of Seattle
Office of the Mayor

March 5, 2013

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

Dear Council President Clark:

I am pleased to transmit the attached proposed Resolution, which states the Council's intention to establish a Downtown Parking and Business Improvement Area, otherwise known as the Metropolitan Improvement District (MID), and sets a date and location for a public hearing. The existing MID was established in 2004 and expires on June 30, 2014. Over the past several months, a proposal was developed by the MID's Ratepayer Advisory Board and business owners to renew and expand the current Business Improvement Area. A recent petitioning effort resulted in a 62 percent show of financial support of the proposal by operators of the business, multi-family residential (buildings containing four or more residential units), and mixed-use (multi-family residential and commercial) property operators, exceeding the required demonstration of 60 percent in financial support from the responsible ratepayers. The formation of an expanded MID will continue the excellent work currently done by the MID by bringing high-quality services to a larger portion of the downtown community.

The proposed Resolution also sets a date and location where the City's Government Performance and Finance Committee will hold a public hearing in Council Chambers to receive all evidence for or against the proposed establishment of the MID. Depending upon the outcome of the public hearing, the Executive may submit a bill to establish the MID within its proposed boundaries. The MID is expected to be funded by a special assessment levied on operators of the business, multi-family residential, and mixed-use properties within the MID's prescribed area. The expanded MID will continue to be overseen by a Ratepayer Advisory Board, which will be broadly representative of the ratepayers in the improvement district.

In light of the strong ratepayer response to the petition to form the new MID, we anticipate ratepayers will support the Council action. Thank you for your consideration of this legislation. Should you have questions, please contact Teri Allen at 684-5226, or Fred Podesta at 386-0041.

Sincerely,

Michael McGinn
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

Michael McGinn, Mayor
Office of the Mayor
600 Fourth Avenue, 7th Floor
PO Box 94749
Seattle, WA 98124-4749

Tel (206) 684-4000
Fax (206) 684-5360
TDD (206) 615-0476
mike.mcgin@seattle.gov



City of Seattle
Legislative Department
Office of the City Clerk



Monica Martinez Simmons, City Clerk

March 26, 2013

To Whom It May Concern:

You have been identified as a potential ratepayer in a proposed Downtown Parking and Business Improvement Area to be known as the Metropolitan Improvement District (MID). Petition materials were mailed to you in late 2012, providing you the opportunity to support the proposed MID by signing and returning the petition. The City of Seattle has determined that ratepayers representing over 60% of assessments in the proposed MID have returned petitions in support of its formation (petitions are filed in Clerk File 312838). If the City decides to establish this proposed MID, the Downtown Parking and Business Improvement Area established in 2004 (2004 DBIA) and currently in effect will be disestablished.

Pursuant to the Revised Code of Washington, Chapter 35.87A, and in accordance with Resolution 31437 (intent to establish the new MID) and Resolution 31438 (intent to disestablish the 2004 DBIA), a public hearing has been scheduled on these matters and will be held by the City Council's Government Performance and Finance Committee as follows:

Date: **Tuesday, April 16, 2013**
Time: **5:30 p.m.**
Location: **Seattle City Hall Council Chamber**
600 Fourth Avenue, Seattle, WA 98104

As a potential rate payer, you are invited to attend the public hearing to express your opinion on these proposals. Sign-up sheets will be available outside the Council Chamber beginning at 5:00 p.m. If you are unable to attend this public hearing, you may provide written comment on the proposed establishment of the MID or the disestablishment of the 2004 DBIA to Councilmember Tim Burgess, P. O. Box 34025, Seattle, WA 98124-4025, or email tim.burgess@seattle.gov. Please note the period to receive written comments ends at 5:00 p.m. on Tuesday, April 16, 2013.

Resolutions 31437 and 31438 are enclosed. Resolution 31436 initiating the new MID and Council Bill 117736 establishing the MID and disestablishing the 2004 DBIA may be reviewed at the City Clerk's Office at 600 4th Ave., 3rd floor, Seattle, WA 98104 or electronically at <http://clerk.seattle.gov>. Paper copies will be mailed upon request by calling 206-684-8344.

For additional information regarding these proposals, please contact Teri Allen, Department of Finance and Administrative Services, at 206-684-5226 or teri.allen@seattle.gov.

Very truly yours,

Monica Martinez Simmons
City Clerk

Enclosures

600 4th Avenue Floor 3, PO Box 94728, Seattle, Washington 98124-4728
(206) 684-8344 Fax: (206) 386-9025 TTY: (206) 233-0025
email: clerk@seattle.gov

Accommodations for people with disabilities provided upon request. An equal opportunity employer

STATE OF WASHINGTON -- KING COUNTY

--SS.

295746

No.

CITY OF SEATTLE, CLERKS OFFICE

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:RESOLUTION 31437

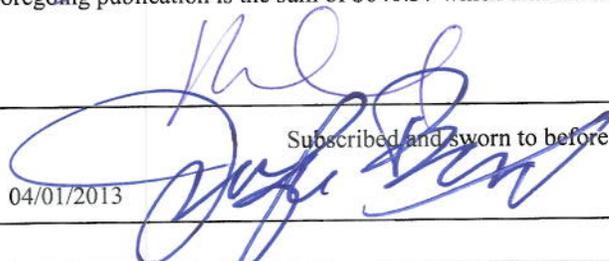
was published on

04/01/13

The amount of the fee charged for the foregoing publication is the sum of \$640.37 which amount has been paid in full.



Affidavit of Publication


Subscribed and sworn to before me on
04/01/2013

Notary public for the State of Washington,
residing in Seattle

City of Seattle

RESOLUTION 31437

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WHEREAS, upon reviewing the petition, the City Council determined it is in the best interests of the City to proceed, as permitted by Chapter 35.87A.030, under the Resolution method of creating a new and expanded Downtown Parking and Business Improvement Area to be known as the Metropolitan Improvement District ("MID") instead of the petition method; and

WHEREAS, the City Council introduced Resolution 31436 on March 18, 2013, initiating the MID; and

WHEREAS, the City Council wishes to declare its intent to establish the MID, and to set a public hearing for the public and all affected persons to consider its establishment; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE THAT:

Section 1. The City Council of the City of Seattle declares its intention to establish the Downtown Parking and Business Improvement Area in accordance with Chapter 35.87A RCW to be known as the Metropolitan Improvement District ("MID").

Section 2. The MID shall be within the following boundaries 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 corner of Elliott Avenue and Denny Way, proceed west to Elliott Bay; then proceed south along the waterfront to Alaskan Way and Broad Street; then proceed south along Alaskan Way, including the piers, to South King Street; then proceed east on South King Street to Railroad Way South; then proceed southeast along Railroad Way South to 1st Avenue South; then proceed east along southern boundary of parcel number 7666206851 to Occidental Avenue South; then proceed north on Occidental Avenue South to South King Street; then proceed east on South King Street, including properties on the south side of South King Street, to 4th Avenue South; then proceed north on 4th Avenue South to South Washington Street; then proceed east on South Washington Street to 6th Avenue South; then proceed north along 6th Avenue South and 6th Avenue to Marion Street; then proceed north along Interstate-5 to Denny Way; then proceed west along Denny Way to Elliott Avenue. In case of a conflict between the description of the area and the map, the description shall control.

Section 3. Programs. Special Assessment revenues shall be used for the following component programs:

1. Clean Services
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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.

Section 4. Ratepayers Advisory Board. There shall be an advisory board whose membership is comprised of Ratepayers representative of the variety of locations, sizes and classifications of Ratepayers in the District.

State of Washington, King County

Section 5. To finance the programs authorized in Section 3, there is proposed to be levied upon and shall be collected from the operators of business property, multi-family residential property (buildings containing four or more residential units), and mixed-use property (multi-family residential and commercial) located within the boundaries of the MID described in Section 2, a ten-year special assessment. Ratepayers will be assessed by the City for ten annual installments beginning with the base year of the authorization (2013-2014), by applying an assessment rate to each ratepayer as described below:

A. Base Year Assessment = $(\$0.32 \times \text{Land Square Footage}) + (\$0.37 \times \text{Total Taxable Value (Land + Improvements)})/\$1,000$. This calculation is called the "Base Formula." Records for the initial assessment calculation are based on information provided by the King County Assessor's office for the year 2012. Modifications or limitations to the Base Year Assessments are described below.

B. TAV Ceiling. No Base Year Assessment for any individual parcel shall exceed an amount equal to $(\$1.84 \times \text{Total Appraised Value}/\$1,000)$. This rate is called the "TAV Ceiling."

C. Building Square Footage Ceiling. No Base Year Assessment for any individual parcel shall exceed an amount equal to $(\$0.17 \times \text{Net Building Square Footage})$. This rate is called the "Building Square Footage Ceiling."

D. Special Assessment Ceiling Rate. For the following special classifications of Ratepayers (using King County Assessor's Present Use Code), a Special Assessment Ceiling Rate as set forth below shall be applied to the Base Year Assessment:

1. Hotel Room Ceiling: \$80 per room
2. Residential Unit Ceiling: \$125 per unit. This ceiling applies equally to owned (i.e., condominium) and to rental (i.e., apartment) units.
3. Surface Parking Ceiling: $(\$0.70 \times \text{Total Appraised Value}/\$1,000)$

E. If the Total Appraised Value and Total Taxable Value in the King County Assessor's records are not equal, then using the King County Assessor's notations about "Tax Value Reason" (TVR), nonprofit rates or other special criteria may apply under the following rules:

1. If TVR is "OP" (Operating Property), then use Appraised Value.
2. If TVR is "HP" (Historic Property), then use Taxable Value.
3. If TVR is "NP" (Nonprofit Org.), then use Taxable Value and calculate the Base Year Assessment as 25% of the Base Formula. 25% of the Base Formula is called the Nonprofit Rate.
4. If TVR is "EX" or "MX" (Exempt from Taxes), then review the property in detail, and:
 - a. If the property is owned and operated by a governmental organization, it is exempt from mandatory MID assessment.
 - b. If the property is owned and operated by a nonprofit organization, the Base Year Assessment is calculated using Taxable Value and the Nonprofit Rate.
 - c. If the property is owned by a for profit organization, the Base Year Assessment is calculated using Appraised Value.
 - d. For the following properties, special circumstances require assessment calculations reflecting the unique nature of the ownership and use for each property.
 - i. For 2821 Alaskan Way and related overwater parcels, known as Pier 70 Ainsworth & Dunn Wharf:

- a. PIN#7666202292 is exempt;
- b. PIN#7666202290 will be assessed normally.

- ii. For 2411 Alaskan Way and related overwater parcels, known as Edgewater Inn:

- a. PIN#7666202310 will be assessed normally;

- b. PIN#7666202312 is exempt;

- c. PIN#7666202315 is exempt;

- d. PIN#7666202317 is exempt.

- iii. For 1515 Alaskan Way and related overwater parcels, known as Pier 59 Seattle Aquarium:

- a. PIN#7666202420 will be assessed at the nonprofit rate;

- b. PIN#7666202422 is exempt.

- iv. For 1301 Alaskan Way and related overwater parcels, known as Pier 57 Bay Pavilion:

- a. PIN#7666202433 is exempt;

- b. PIN#7666202435 will be assessed normally.

- v. For 1201 Alaskan Way and related overwater parcels, known as Piers 55 & 56:

- a. PIN#7666202485 will be assessed normally;

- b. PIN#7666202487 is exempt.

- vi. For 1003 Alaskan Way and related overwater parcels, known as Pier 54 Ivars Acres of Clams:

- a. PIN#7666202495 will be assessed normally;

- b. PIN#7666202497 is exempt.

- vii. 1301 Fifth Avenue (King County PIN#0002400003), known as RAINIER PLAZA FAIRMONT OLYMPIC HOTEL will be assessed at 450 rooms multiplied by the Hotel Room Ceiling (initially \$80/room/year and subject to the Inflationary Factor according to the provisions of this ordinance).

- viii. For 1326 Fifth Avenue and related parcels (King County PIN#0002400002), known as SKINNER-IBM-WASH-COBB-FIN-BLDS:

- a. COBB BLDG - RENOVATION TO APTS; SKINNER BLDG; FINANCIAL TOWER; I B M BLDG; PUGET SOUND PLAZA will be assessed at $\$0.0875/\text{Net Building Square Foot}$. This rate will increase at the same Inflationary Factor as applied other properties according to this ordinance.

- ix. For 1415 Seneca Street (King County PIN#0942000170), known as Olympic Hotel Parking Garage the assessment will be calculated using Total Appraised Value (TAV) instead of Total Taxable Value in the Base Formula.

5. If TVR is blank, then use Taxable Value.

F. When more than one Assessment Ceiling Rate applies to a single parcel, Ratepayers shall pay the lesser of the applicable Assessment Ceilings.

G. Properties owned by governmental entities and public utilities will not be

assessed except as provided in subsection E.4.

H. To maintain the current level of services and benefits provided by MID, annual assessment rate increases shall be applied consistent with this subsection.

1. Assessments in the second and third assessment years, as adjusted pursuant to this subsection, shall be based upon the same property values as in the first assessment year. In the fourth assessment year (2016-2017), the Base Formula shall be calculated using the most recent Total Appraised Value, Total Taxable Value, Land Square Footage, Net Building Square Footage, and other information from the King County Assessor's Office, or the commensurate values from the first assessment year, whichever is greater. Assessments in the fifth and sixth assessment years, as adjusted pursuant to this subsection, shall be based upon the same property values as in the fourth assessment year. In the seventh assessment year (2019-2020), the Base Formula shall be calculated using the most recent Total Appraised Value, Total Taxable Value, Land Square Footage, Net Building Square Footage, and other information from the King County Assessor's Office, or the commensurate values from the first or fourth assessment years, whichever is greater. Assessments in the eighth, ninth, and tenth assessment years, as adjusted pursuant to this subsection, shall be based upon the same property values as in the seventh assessment year.

2. After the first assessment year, the Land Square Footage rate, and the ceilings for TAV, Building Square Footage, Hotel Room, and Residential Unit rates shall be adjusted by an Inflationary Factor, which will be equal to the change in the annual Consumer Price Index for All Urban Consumers in Seattle - Tacoma - Bremerton ("CPI"), or three percent per year, whichever is less, subject to the following conditions:

a. Second Assessment Year (2014 - 2015): The Inflationary Factor will be calculated using the change in the annual CPI from 2012 to 2013.

b. Third Assessment Year (2015 - 2016): The Inflationary Factor will be calculated using the change in the annual CPI from 2013 to 2014.

c. Fourth Assessment Year (2016 - 2017): The Inflationary Factor will be calculated using the change in the annual CPI from 2014 to 2015.

d. Fifth Assessment Year (2017 - 2018): The Inflationary Factor will be calculated using the change in the annual CPI from 2015 to 2016.

e. Sixth Assessment Year (2018 - 2019): The Inflationary Factor will be calculated using the change in the annual CPI from 2016 to 2017.

f. Seventh Assessment Year (2019 - 2020): The Inflationary Factor will be calculated using the change in the annual CPI from 2017 to 2018.

g. Eighth Assessment Year (2020 - 2021): The Inflationary Factor will be calculated using the change in the annual CPI from 2018 to 2019.

h. Ninth Assessment Year (2021 - 2022): The Inflationary Factor will be calculated using the change in the annual CPI from 2019 - 2020.

i. Tenth Assessment Year (2022 - 2023): The Inflationary Factor will be calculated using the change in the annual CPI from 2020 to 2021.

3. Notwithstanding the provisions of subsection H.2, the following shall apply:

a. The Base Formula rate for the Total Taxable Value portion of the calculation will not exceed \$0.37.

b. The Base Formula rate for the Land Square Footage portion of the calculation will not exceed \$0.32 x the cumulative Inflationary Factor.

c. The TAV Ceiling rate will not exceed \$1.84 x the cumulative Inflationary Factor.

d. The Building Square Footage Ceiling rate will not exceed \$0.17 x the cumulative Inflationary Factor.

e. The Hotel Room Ceiling rate will not exceed \$80 x the cumulative Inflationary Factor.

f. The Residential Unit Ceiling rate will not exceed \$125 x the cumulative Inflationary Factor.

g. The Surface Parking Ceiling rate will not exceed \$0.70.

h. In applying annual rate increases to Ratepayers' assessments, any revisions to Base Formula and assessment ceiling rates will be rounded to the nearest one-hundredth of one cent (\$0.0001).

State of Washington, King County

4. "New benefit areas" shall be added to the assessment roll on an annual basis, as follows. A "new benefit area" is created when a parcel's net building square footage increases as a result of either a new building or expansion of an existing building. A new benefit area shall be added to the MID assessment roll as of July 1 if its value has been added to the King County Assessor assessment roll during the preceding year. The new benefit area shall be assessed according to the Base Formula factors and Assessment Ceiling rates in effect during the assessment year.

Section 6. A hearing shall be held on this matter before the Government Performance and Finance Committee in the City Council Chambers, City Hall, 600 Fourth Avenue, 2nd Floor, Seattle, Washington 98104 on Tuesday, April 16, 2013, at 5:30 p.m., or as soon thereafter as the same may be heard. The City Council will hear all protests and receive all evidence for or against the proposed action.

Section 7. The City Clerk is requested to publish this Resolution in a newspaper of general circulation in Seattle and mail a complete copy of this Resolution to each prospective Ratepayer within the proposed area, at least ten days prior to the hearing. The notice shall include a statement that a copy of the proposed ordinance, with attachments, may be examined electronically at <http://www.seattle.gov/leg/clerk/> on the Internet, or in paper form at the Office of the City Clerk, City Hall, 600 Fourth Avenue, 3rd Floor, Seattle, Washington 98104, or will be mailed upon request.

Adopted by the City Council the 25th day of March, 2013, and signed by me in open session in authentication of its adoption this 25th day of March, 2013.

/s/ Sally J. Clark, President of the City Council

Filed by me this 25th day of March, 2013.

/s/ Monica Martinez Simmons, City Clerk

Date of publication in the Seattle Daily Journal of Commerce, April 1, 2013.

4/1(295746)

STATE OF WASHINGTON -- KING COUNTY

--SS.

296347
CITY OF SEATTLE, CLERKS OFFICE

No. 31436,437,438,439,440

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: TITLE ONLY RESOLUTION

was published on

04/12/13

The amount of the fee charged for the foregoing publication is the sum of \$66.00 which amount has been paid in full.



[Handwritten Signature]

Subscribed and sworn to before me on

04/12/2013

[Handwritten Signature]

Notary public for the State of Washington,
residing in Seattle

Affidavit of Publication

State of Washington, King County

City of Seattle Title Only Resolutions

The full text of the following legislation, passed by the City Council on March 25, 2013, and published below by title only, will be mailed upon request, or can be accessed at <http://clerk.seattle.gov>. For information on upcoming meetings of the Seattle City Council, please visit <http://www.seattle.gov/council/calendar>.

Contact: Office of the City Clerk at (206) 684-8344.

RESOLUTION NO. 31436

A RESOLUTION to initiate a Downtown Parking and Business Improvement Area.

RESOLUTION NO. 31437

A RESOLUTION of intention to establish a Downtown Parking and Business Improvement Area, and fixing a date and place for a hearing thereon.

RESOLUTION NO. 31438

A RESOLUTION of intention to disestablish the 2004 Downtown Parking and Business Improvement Area, and fixing a date and place for a hearing thereon.

RESOLUTION NO. 31439

A RESOLUTION adopting Statements of Legislative Intent (SLIs) for the 2013 Adopted Budget, the 2013 Endorsed Budget and 2013-2018 Adopted Capital Improvement Program (CIP).

RESOLUTION NO. 31440

A RESOLUTION retiring introduced and referred Council Bills, Resolutions, and Clerk Files which have received no further action.

Date of publication in the Seattle Daily Journal of Commerce, April 12, 2013.

4/12(296347)