Resolution No. ~~31565~~ 31563

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

Related Legislation File: _____

Date Introduced and Referred:	To: (committee):
1/12/15	Finance and Culture
Date Re-referred:	To: (committee):
Date Re-referred:	To: (committee):
Date of Final Action: 1/20/15	Date Presented to Mayor: 1/21/15
Date Signed by Mayor: 1/30/15	Date Returned to City Clerk: 2/2/15
Published by Title Only X Published in Full Text _____	Date Returned Without Concurrence:

The City of Seattle – Legislative Department

Resolution sponsored by: _____

Committee Action:

Date	Recommendation	Vote
1/14/2015	Adopt (Licata, Godden, Burgess)	3-0

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

Full Council Action:

Date	Decision	Vote
1/20/15	Adopted	9-0

Law Department

CITY OF SEATTLE

RESOLUTION 31563

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

WHEREAS, the owners of business, multi-family residential and mixed use properties that are subject to nearly 65 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. 313953; and

WHEREAS, upon reviewing the petition, the City Council determined it is in the best interests of the City to proceed, as permitted by RCW 35.87A.030, under the Resolution method of creating a new and expanded University District Parking and Business Improvement Area instead of the petition method; NOW, THEREFORE,

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

Section 1. The City Council of The City of Seattle declares its intention to establish a University District Parking and Business Improvement Area (University District BIA) in accordance with Chapter 35.87A RCW.

Section 2. The University District BIA shall be within the following boundaries as shown on the map attached as Exhibit A, including two additional benefit zones within the University District BIA boundaries (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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A. U District Fund Area: Beginning at the centerline of Northeast Ravenna Boulevard at the crossing of the eastern boundary of Interstate 5, proceed east along Northeast Ravenna Boulevard to the centerline of 15th Avenue Northeast; then south along 15th Avenue Northeast to the State Harbor Line of Portage Bay; then west along the State Harbor Line of Portage Bay to the centerline of Pasadena Place Northeast, then north along Pasadena Place Northeast to the intersection with the eastern boundary of Interstate 5, then north along the eastern boundary of Interstate 5 to the point of origin at the crossing of the centerline of Northeast Ravenna Boulevard.

B. South Ave Cleaning Area: Beginning at the intersection of Brooklyn Avenue Northeast and Northeast 52nd Street, proceed east along Northeast 52nd Street to the centerline of the alley between University Way Northeast and 15th Avenue Northeast; then south along the alley to the centerline of Northeast 41st Street; then west along Northeast 41st Street to the centerline of the alley between Brooklyn Avenue Northeast and University Way Northeast; then north along the alley to a line extending from the southern property line of Parcel No. 1142001140, then west along the southern property lines of Parcel Nos. 1142001140, 1142000905, and 1142001020 to the centerline of 12th Avenue Northeast; then north along 12th Avenue Northeast to the centerline of Northeast 45th Street; then east along Northeast 45th Street to the centerline of the alley between 12th Avenue Northeast and Brooklyn Avenue Northeast; then north along the alley to the centerline of Northeast 50th Street; then east along

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Northeast 50th Street to the centerline of Brooklyn Avenue Northeast; then north along Brooklyn Avenue Northeast to the point of origin at the centerline of Northeast 52nd Street.

C. North Ave Cleaning Area: Beginning at the intersection of Northeast Ravenna Boulevard and the alley between Brooklyn Avenue Northeast and University Way Northeast, proceed east along Northeast Ravenna Boulevard to the centerline of the alley between University Way Northeast and 15th Avenue Northeast; then south along the alley to the centerline of Northeast 52nd Street; then west along Northeast 52nd Street to the centerline of the alley between Brooklyn Avenue Northeast and University Way Northeast; then north along the alley to the point of origin at the centerline of Northeast Ravenna Boulevard.

In case of a conflict between the descriptions of the areas and the map, the descriptions shall control.

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

A. Events and marketing;

B. Policy and advocacy;

C. Cleaning and public safety;

D. Economic development;

E. Planning;

F. Program management.

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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. The total estimated cost over the five-year special assessment period is $3,900,000.

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

Section 5. To finance the programs authorized in Section 3, there is levied upon and shall be collected from the owners 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 University District BIA described in Section 2, a five-year special assessment. The initial assessment calculations will be based upon King County Assessor's Office records as of April 30, 2014. Ratepayers will be assessed by the City of Seattle for five annual installments beginning with the base year of authorization, by applying the following assessment rates to each Ratepayer:

A. U District Fund Area Base Formula = $0.25 times the sum of:

1. (Total Taxable Value/$1,000), plus

2. ((Total Appraised Value minus Total Taxable Value)/$1000) x 25%.

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Total Taxable Value and Total Appraised Value in these calculations shall be based on Land + Improvements.

B. Cleaning Area Base Formulas. Ratepayers located in the North Ave Cleaning Area or the South Ave Cleaning Area shall be assessed the following assessment rates, in addition to the assessments under the U District Fund Area Base Formula:

1. North Ave Cleaning Area Base Formula = $0.07 per Total Lot Square Foot times the sum of:
   a. (Total Taxable Value/Total Appraised Value); plus
   b. ((Total Appraised Value – Total Taxable Value)/Total Appraised Value) x 25%.
2. South Ave Cleaning Area Base Formula = $0.12 per Total Lot Square Foot times the sum of:
   a. (Total Taxable Value/Total Appraised Value); plus
   b. ((Total Appraised Value – Total Taxable Value)/Total Appraised Value) x 25%.

Total Taxable Value and Total Appraised Value in these calculations shall be based on Land + Improvements.

C. For all properties within the University District BIA for which the Taxpayer on record is University of Washington, the aggregate assessment in the first assessment year will be

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$350,000. The base formulas in Subsections A and B, as well as the provisions in Subsection F, shall not apply.

D. Except as provided in Subsection C, properties owned by governmental entities shall not be assessed.

E. To maintain the current level of services and benefits provided by the University District BIA, the Base Formula assessment rates for the U District Fund Area, North Ave Cleaning Area, and South Ave Cleaning Area, and the University of Washington aggregate assessment, shall be adjusted by an Inflationary Factor applied to each of the assessment rates after the first year assessment. The Inflationary Factor will be the lesser of three percent per year or the percentage change in the Consumer Price Index for All Urban Consumers in Seattle-Tacoma-Bremerton (CPI-U-Seattle) between September 2014 and September of the year prior to the assessment year.

1. Second Year Assessment: The Inflationary Factor shall be calculated using the lesser of three percent or the percentage change in the CPI-U-Seattle between September 2014 and September 2015.
2. Third Year Assessment: The Inflationary Factor shall be calculated using the lesser of six percent or the percentage change in the CPI-U-Seattle between September 2014 and September 2016.

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3. Fourth Year Assessment: The Inflationary Factor shall be calculated using the lesser of nine percent or the percentage change in the CPI-U-Seattle between September 2014 and September 2017.

4. Fifth Year Assessment: The Inflationary Factor shall be calculated using the lesser of 12 percent or the percentage change in the CPI-U-Seattle between September 2014 and September 2018.

F. "New Benefit Areas" shall be added to the assessment roll on an annual basis, and will supersede the previous assessment for that parcel. 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, as recorded by the King County Assessor's Office. The Base Formula for a New Benefit Area will be calculated for the following assessment year using the most current available Total Taxable Value (Land + Improvements) and Total Appraised Value (Land + Improvements).

No Inflationary Factor shall be assessed on a New Benefit Area in its first assessment year. In each subsequent assessment year, the Inflationary Factor for any New Benefit Area shall be the lesser of:

1. Three percent per year from the addition of the New Benefit Area to the assessment roll, or

2. The percentage change in the CPI-U-Seattle from September of the year prior to the addition of the New Benefit Area to the assessment roll to September of the year prior to the assessment year.

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G. Rate Changes. Changes in assessment rates other than as described in this section shall only be authorized by ordinance consistent with RCW 35.87A.140 and with the approval of the Ratepayers Advisory Board and shall not occur more than one time per year.

Adopted by the City Council the 20th day of January, 2015, and signed by me in open session in authentication of its adoption this 20th day of January, 2015.

President _____ of the City Council

THE MAYOR CONCURRING:

Edward B. Murray, Mayor

Filed by me this 2nd day of February, 2015.

Monica Martinez Simmons, City Clerk

(Seal)

Attachment:
Exhibit A: University District Business Improvement Area

SEAS CITY CLERK

Teri Allen
FAS University District BIA Initiation RES EXH A
December 5, 2014
Version #1

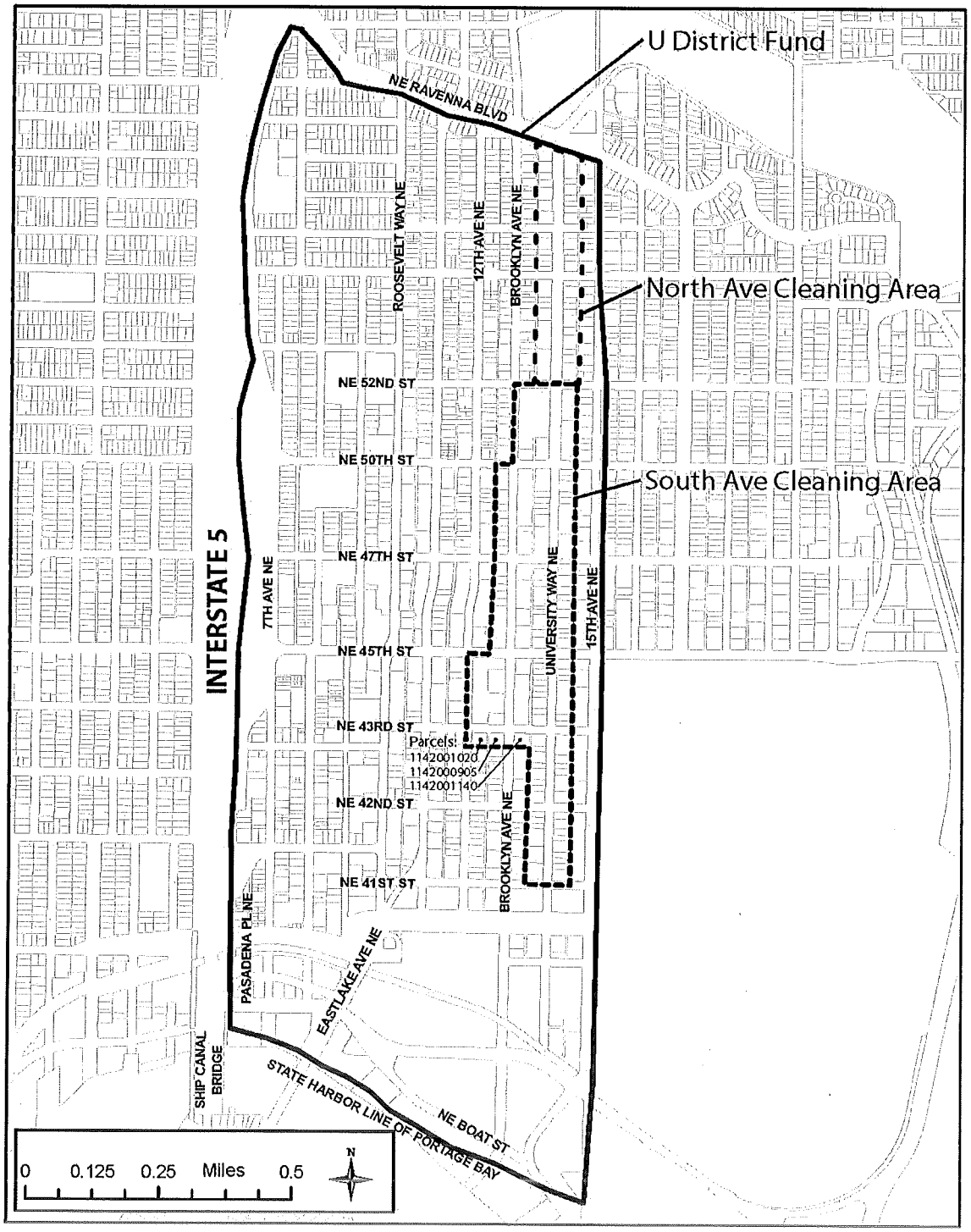

Exhibit A: University District Business Improvement Area

Representing the boundaries of the new and expanded BIA.

This map is for illustrative purposes only and is not intended to modify anything in the legislation.

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Form revised: February 26, 2014

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.

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

__X__ **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.

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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.

2015 CITY CLERK

City of Seattle
Edward B. Murray
Mayor

December 23, 2014

Honorable Tim Burgess
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Burgess:

I am pleased to present the attached Resolution that will initiate the process to establish a new and expanded University District Parking and Business Improvement Area (University District BIA). The existing business improvement area, established in 1996, would be disestablished through the legislation.

Over the past year, a proposal was developed by the U District Partnership and business owners to expand the current business improvement area. A recent petitioning effort resulted in a nearly 65% show of financial support of the University District BIA by proposed ratepayers within the BIA boundaries, including the University of Washington, which will pay almost 50% of the total assessments. The formation of an expanded University District BIA will continue the work currently done by bringing high-quality services to a larger area of the University District.

Subsequent to the passage of this initiation Resolution by the City Council, a second Resolution will follow, declaring the date, time and location of a public hearing. The second Resolution will show how the University District BIA will be funded by a special assessment levied on the owners of business, multi-family residence, and mixed-use properties. The expanded University District BIA will continue to be overseen by a Ratepayer Advisory Board, which will be broadly representative of the ratepayers within the improvement area.

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

Sincerely,

Edward B. Murray
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

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Hearing Impaired use the Washington Relay Service (7-1-1)
www.seattle.gov/mayor

2015 CITY CLERK

STATE OF WASHINGTON -- KING COUNTY

--ss.

320256 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:31563-565 TITLE ONLY

was published on

02/09/15

The amount of the fee charged for the foregoing publication is the sum of $46.50 which amount has been paid in full.

JENNIFER A. BORRERO
COMMISSION EXPIRES
NOTARY
PUBLIC
STATE OF WASHINGTON

Subscribed and sworn to before me on

02/09/2015

Notary public for the State of Washington,
residing in Seattle

Affidavit of Publication

State of Washington, King County

City of Seattle

The full text of the following legislation, passed by the City Council on January 20, 2015, 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. 31563

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

RESOLUTION NO. 31564

A RESOLUTION of intention to disestablish the 1996 University District Parking and Business Improvement Area, and fixing a date and place for a hearing thereon.

RESOLUTION NO. 31565

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

Date of publication in the Seattle Daily Journal of Commerce, February 9, 2015.

2/9(320256)