



**Legislative Department  
Seattle City Council  
Memorandum**

Date: May 12, 2014  
To: Finance and Culture Committee  
From: Martha Lester, City Council Central Staff  
Subject: **Resolution 31522 related to West Seattle Junction BIA – for Finance and Culture Committee meeting May 23, 2014**

Proposed legislation to revise the boundary and the assessment rates of the West Seattle Junction Parking and Business Improvement Area (commonly known as BIA) has been submitted to the Council. The Finance and Culture Committee is anticipated to discuss and vote on Resolution 31522 at its May 23 meeting. This memo provides background information.

Note that I will be on vacation May 14-28; if you have questions during that time please contact Newell Aldrich, or contact Teri Allen in the Department of Finance and Administrative Services (FAS).

Background on West Seattle Junction BIA

The West Seattle Junction BIA was established by ordinance in 1987. The existing BIA has three areas, as shown on the map on page 3:

- Assessment Zone A (smaller area, in green, on map)
- Assessment Zone B (larger area, in yellow, on map)
- Parking Zone Overlay – Zone C (with diagonal cross-hatching on map)

The BIA assesses a business in Zone A or B primarily based on gross proceeds of sales or gross income of the business as reported for Business and Occupation (B&O) tax or utility tax purposes. It assesses a business in the Zone C parking overlay to the extent that the business does not itself provide a certain minimum amount of parking. The City Council amended the assessment rate or methodology in 1991, 1999, 2001, and 2005. The City contracts with the West Seattle Junction Association to administer BIA services.

BIA leaders in West Seattle have been discussing possible changes since 2009. The proposal that they submitted to the City would make two changes:

- expand the boundaries of the Parking Zone Overlay – Zone C (the map on page 3 shows the additional area to be included in Zone C with horizontal gray lines); and
- eliminate the existing exemption and phase-in for new businesses, so that any new business will pay the full assessment starting in its first year.

Procedure Steps to Expand BIA Boundary

As you may recall from review of prior BIA legislation, there are multiple pieces of legislation and multiple procedural steps required by state law (RCW chapter 35.87A).

Two items were introduced May 12 and referred to the Finance and Culture Committee:

- Resolution 31522 is the “resolution of intention to modify boundary and assessment rate.”
- C.B. 118093 is the ordinance that would implement the boundary and assessment rate modifications.

Under state law, the Council may:

- change the assessment rates (such as eliminating the existing exemption and phase-in for new businesses); and
- expand the boundaries of an existing BIA provided that the projected assessment revenue from the expansion area is no greater than 10 percent of the current assessment revenue of the existing BIA. (If the projected assessment revenue from the expansion area were greater than 10 percent, then it would be considered a *new* BIA, and would need to start with the petition process.)

Resolution 31522 will be on the Finance and Culture Committee agenda for the Friday, May 23, 2 p.m., special meeting for discussion and vote. The resolution describes the proposed Zone C boundary expansion, and the modification of the assessment rate by eliminating the existing exemption and phase-in for new businesses, and states the date, time, and place of the public hearing.

I will be on vacation so will not be at that committee meeting. However, staff from the Department of Finance and Administrative Services (FAS), as well as a representative from the West Seattle Junction BIA, will be at the May 23 committee meeting to describe the background, outreach, intent, and scope of the proposed changes.

Assuming the resolution is approved by the committee and then adopted by the Full Council (anticipated for June 2), FAS staff will work with the City Clerk to publish and mail the adopted resolution as required by state law.

The next step will then be to hold a public hearing, currently anticipated for the Finance and Culture Committee meeting on Wednesday, June 25, at 2 p.m. The focus of the public hearing will be C.B. 118093, which would implement the changes to the boundary and assessment rates of the West Seattle Junction BIA.

After the public hearing, there will be time at that same Finance and Culture Committee meeting for Councilmember questions and discussion. We anticipate a committee vote at the July 9 Finance and Culture Committee meeting, and the legislation would then go to Full Council.

Note that I will be on vacation May 14-28. If you have questions during that time, please send them to Newell Aldrich, and I will check in with Newell when I return from vacation. You can also send any BIA questions to Teri Allen in FAS.



## West Seattle BIA Map

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