



**Legislative Department
Seattle City Council
Memorandum**

Date: January 9, 2015
To: Finance and Culture Committee
From: Martha Lester, City Council Central Staff
Subject: University District BIA – for Finance and Culture Committee January 14, 2015

Proposed legislation to create a new and expanded University District Parking and Business Improvement Area (BIA) has been submitted to the Council and referred to the Finance and Culture Committee. The legislation would disestablish the old BIA and establish the new one. The first step – three resolutions – will be on the agenda for discussion and possible vote at the January 14 committee meeting. This memo provides background information. The proponents of the new BIA will also be at the committee meeting to make a presentation and answer questions.

Background on University District BIA

The existing University District BIA was established by Ordinance 118412 in 1996. It extends from N.E. Campus Parkway on the south to N.E. 52nd Street on the north, and is generally a block or two wide, mostly centered on University Way N.E. and extending to Brooklyn Avenue N.E. for a couple of blocks. The assessments are based on square footage, number of hotel rooms, number of apartment units, or number of parking spaces. This BIA has been amended three times by ordinance to increase assessment rates.

Over the past several years, the University of Washington and a variety of businesses, institutions, residents, and others have worked together to plan for the future of the University District. One result of these efforts is a proposal to replace the existing BIA with a new and expanded BIA. The legislation now before the Finance and Culture Committee would accomplish that goal.

Procedural Steps to Disestablish Existing BIA and Create New BIA

As you may recall from recent activity with other BIAs, there are multiple pieces of legislation and many procedural steps required by state law. Four pieces of legislation will be introduced on January 12 and referred to the Finance and Culture Committee:

- Resolution 31563: initiation resolution;
- Resolution 31564: resolution of intention to disestablish existing BIA;
- Resolution 31565: resolution of intention to establish new BIA; and
- Council Bill (C.B.) 118302: ordinance to disestablish existing BIA, and to establish new BIA including boundaries, programs, assessment rates, and more.

The first step is the “initiation resolution” to initiate the process for a new BIA. There are also two “resolutions of intention” – one to disestablish the existing BIA and one to establish the new BIA. These three resolutions are on the Finance and Culture Committee agenda for the January 14 meeting for discussion and possible vote. These resolutions get the process underway and set the date for the public hearing, which is scheduled to be held at the regular Finance and Culture Committee meeting on February 25.

If the resolutions are approved by the committee and then adopted by the Full Council (anticipated for January 20), the City Clerk will work with the Department of Finance and Administrative Services (FAS) to publish and mail two resolutions as required by state law. The resolution of intention to disestablish the existing BIA will be mailed to all current ratepayers, and the resolution of intention to establish the new BIA will be sent to all prospective ratepayers.

On February 25, the committee will then hold a public hearing on C.B. 118302, which, among other things, would:

- disestablish the existing BIA;
- establish and set the boundaries of the three component areas of the new BIA (see map on page 3) – the “U District Fund Area,” the “North Ave Cleaning Area,” and the “South Ave Cleaning Area”;
- list the programs for which BIA assessment revenue will be used;
- establish the assessment rates for various properties for the three component areas within the BIA;
- outline the membership and duties of a Ratepayers Advisory Board to be appointed by the FAS Director; and
- authorize the FAS Director to contract with a local non-profit entity to act as Program Manager, and state the Council’s intent that the FAS Director contract with the U District Partnership as the initial Program Manager.

At the February 25 committee meeting, after the public hearing, there will be time for Councilmember questions and discussion. The committee could then vote on C.B. 118302 at the March 6 committee meeting, and the legislation would then go to Full Council. The proponents would like to have the new BIA take effect on May 1, 2015.

As proposed, the new BIA would have a five-year duration. If proponents wanted to continue the BIA beyond five years, they would need to go through the process to establish a new BIA, similar to what the Downtown MID has done (the current MID has a ten-year duration). Note that the existing University District BIA, established in 1996, is a permanent BIA – not limited duration. State law allows either approach.

If you have any questions, or would like additional information, please let me know.

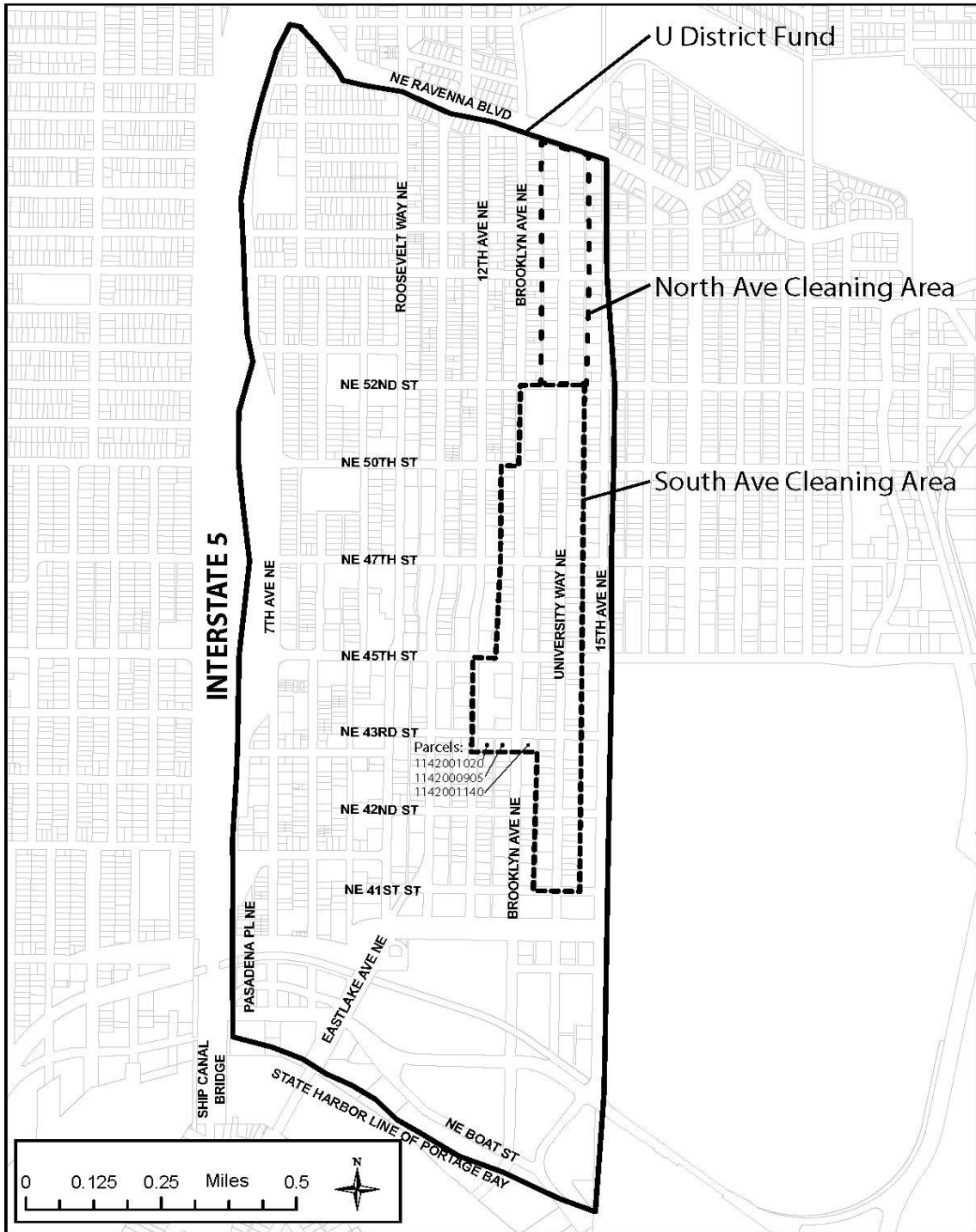


Exhibit A to C.B. 118302: University District Business Improvement Area
 Representing the boundaries of the new and expanded BIA.

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