



SEATTLE CITY COUNCIL

Legislative Summary

Res 31685

Record No.: Res 31685

Type: Resolution (Res)

Status: Adopted

Version: 1

Ord. no:

In Control: City Clerk

File Created: 06/30/2016

Final Action: 08/03/2016

Title: A RESOLUTION of intention to establish a Ballard Parking and Business Improvement Area and fix a date and place for a hearing thereon.

Notes:

Date
Filed with City Clerk: 8/3/2016

Mayor's Signature: 8/3/2016

Sponsors: Burgess

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments: Ex A - Ballard Improvement Area

Drafter: danielle.hursh@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published:

☐ Yes

☐ No

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	07/12/2016	Mayor's leg transmitted to Council	City Clerk			
	Action Text: The Resolution (Res) was Mayor's leg transmitted to Council. to the City Clerk Notes:						
1	City Clerk	07/12/2016	sent for review	Council President's Office			
	Action Text: The Resolution (Res) was sent for review. to the Council President's Office Notes:						
1	Council President's Office	07/15/2016	sent for review	Full Council			
	Action Text: The Resolution (Res) was sent for review. to the Full Council Notes:						
1	Full Council	07/25/2016	referred	Full Council			
1	Full Council	08/01/2016	adopted				Pass
	Action Text: The Motion carried, the Resolution was adopted by the following vote, and the President signed the Resolution: Notes: Motion was made and duly seconded to adopt Resolution 31685.						

In Favor: 9 Councilmember Bagshaw, Councilmember Burgess, Councilmember González , Council President Harrell, Councilmember Herbold, Councilmember Johnson, Councilmember Juarez, Councilmember O'Brien, Councilmember Sawant

Opposed: 0

- 1 City Clerk 08/02/2016 submitted for Mayor
Mayor's signature
Action Text: The Resolution (Res) was submitted for Mayor's signature. to the Mayor
Notes:
- 1 Mayor 08/03/2016 Signed
Action Text: The Resolution (Res) was Signed.
Notes:
- 1 Mayor 08/03/2016 returned City Clerk
Action Text: The Resolution (Res) was returned. to the City Clerk
Notes:
- 1 City Clerk 08/03/2016 attested by City Clerk
Action Text: The Resolution (Res) was attested by City Clerk.
Notes:
-

CITY OF SEATTLE

RESOLUTION 31685

A RESOLUTION of intention to establish a Ballard Parking and Business Improvement Area and fix a date and place for a hearing thereon.

WHEREAS, the owners and operators of businesses, multi-family residential properties, and mixed-use properties, subject to nearly 60 percent 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. 319875; and

WHEREAS, the owners of parcel numbers 2768303245, 2768303229, and 2768303190, known as the "Ballard Blocks," which are outside of the boundaries proposed in the petition, submitted a letter of support, after petitions had been circulated, requesting their properties be added to the Ballard Business Improvement Area; and

WHEREAS, the City Council has reviewed that petition and letters of support, but determined it is in the best interests of the City to proceed, as permitted by chapter 35.87A RCW, under the resolution method of creating a Business Improvement Area instead of the petition method;

WHEREAS, the City Council introduced Resolution 31686 on July 25, 2016, initiating the Ballard Parking and Business Improvement Area; and

WHEREAS, the City Council wishes to declare its intent to establish a Ballard Parking and Business Improvement Area, 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, THE
MAYOR CONCURRING, THAT:**

Section 1. The City Council of The City of Seattle declares its intention to establish a Ballard Parking and Business Improvement Area in accordance with chapter 35.87A RCW, to be known as the Ballard Business Improvement Area.

Section 2. The Ballard Business Improvement Area shall be within the following boundaries as shown on the map attached as Exhibit A to this resolution (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):

Beginning at the intersection of NW Market Street and 28th Avenue NW, proceed east along NW Market Street to 26th Avenue NW. Proceed north along 26th Avenue NW to NW 56th Street. Proceed east along NW 56th Street to the western boundary of the property at the northwest corner of the intersection at 24th Avenue NW and NW 56th Street. Proceed north along the western boundary of the property at the northwest corner of the intersection at 24th Avenue NW and NW 56th Street to the northern boundary of the property at the northwest corner of the intersection at 24th Avenue NW and 56th Street. Proceed east along the northern boundary of the property at the northwest corner of the intersection at 24th Avenue NW and NW 56th Street to the western boundary of the property at the southwest corner of the intersection at 24th Avenue NW and NW 57th Street. Proceed north along the western boundary of the property at the southwest corner of the intersection at 24th Avenue NW and NW 57th Street to the northern boundary of the property at the southwest corner of the intersection at 24th Avenue NW and NW 58th Street. Proceed east along NW 58th Street to 22nd Avenue NW including the two most eastern properties adjoining NW 58th Street on the south side, then south to include the three most eastern properties adjoining NW 57th Street on the north side. Proceed east along NW 57th Street to 20th Avenue NW. Proceed south along 20th Avenue NW until the northern boundary of the property at the northeast corner of the intersection at NW 56th Street and 20th Avenue NW. Proceed east along the northern boundaries of the properties adjoining NW 56th to 17th Avenue NW. Proceed south along 17th Avenue NW to NW 56th Street. Proceed east along NW 56th Street to 15th Avenue NW. Proceed south along 15th Avenue NW to NW Market Street. Proceed west along NW Market Street to 17th Avenue NW. Proceed south along 17th Avenue NW to NW Ione Pl. Proceed southwest along NW Ione Place to Russell Avenue NW. Proceed northwest along Russell Avenue NW to NW Market Street. Proceed southwest along the southeastern boundary of the property at the southwest corner of the intersection at NW Market Street and Russell Avenue NW to Leary Avenue NW. Proceed northwest along Leary Avenue NW until the southeastern boundary of the property at the southeast corner of the intersection at 22nd Avenue NW and NW Market Street. Proceed southwest along the southeastern boundary of the property at the southeast corner of the intersection at 22nd Avenue NW and NW Market Street to the

1 northeastern boundary of the property at the northeast corner of the intersection at 22nd Avenue
2 NW and Ballard Avenue NW. Proceed southeast along the northeastern boundary of the property
3 at the northeast corner of the intersection at 22nd Avenue NW and Ballard Avenue NW to include
4 all of the properties adjoining Ballard Avenue NW up to NW Vernon Place. Proceed northeast
5 along NW Vernon Place to Leary Avenue NW. Proceed southeast on Leary Avenue NW to 20th
6 Avenue NW. Proceed south along 20th Avenue NW to the northeastern boundary of the property
7 at the northeast corner of the intersection at 20th Avenue NW and Ballard Avenue NW. Proceed
8 southeast along the northeastern boundary at the northeast corner of the intersection at 20th
9 Avenue NW and Ballard Avenue NW to NW Ione Place. Proceed southwest on NW Ione Place to
10 Ballard Avenue NW. Proceed northwest along Ballard Avenue NW to the northwestern boundary
11 of the property at the northwest corner of Shilshole Avenue NW and 20th Avenue NW. Proceed
12 southwest along the northwestern boundary of the property at the northwest corner of Shilshole
13 Avenue NW and 20th Avenue NW to the southwestern boundary of the property at the southwest
14 corner of the intersection at Ballard Avenue NW and 20th Avenue NW. Proceed northwest along
15 Ballard Avenue NW to include all properties adjoining Ballard Avenue NW on the south side to
16 NW Market Street. Proceed southwest along NW Market Street to include all properties
17 adjoining NW Market Street to Shilshole Avenue NW. Proceed west along Shilshole Avenue NW
18 to 24th Avenue NW. Proceed south along 24th Avenue NW to NW 54th Street. Proceed west
19 along NW 54th Street to 28th Avenue NW. Proceed north along 28th Avenue NW to NW Market
20 Street.

21 Beginning at the intersection NW 45th Street and 15th Avenue NW, proceed north along
22 15th Avenue NW to NW 46th Street. Proceed east along NW 46th Street to the eastern parcel
23 boundary of 2768303225. Proceed north along the eastern parcel boundary of 2768303225,
24 following the parcel boundary west and south to NW 46th Street. Proceed west along NW 46th
25 Street to 15th Avenue NW. Proceed north along 15th Avenue NW to the southern parcel
26 boundary of 2768303135. Proceed east and then north along the western property boundary of
27 parcel 2768303135 to NW Ballard Way. Proceed east along NW Ballard Way to 14th Avenue
28 NW. Proceed south along 14th Avenue NW to NW 45th Street. Proceed west along NW 45th
29 Street to 15th Avenue NW.

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

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

- 34 A. Clean Environment;
- 35 B. Public Safety/Public Health Enhancement;
- 36 C. Marketing and Promotions;
- 37 D. Advocacy, Urban Design, and Transportation;

1 E. Business Development and Retention;

2 F. Management.

3 All such activities are supplemental to street maintenance and law enforcement provided
4 by the City and are not intended to displace any services regularly provided by municipal
5 government.

6 **Section 4.** There shall be an advisory board whose membership is comprised of
7 ratepayers representative of the variety of locations, sizes, and ratepayer classifications in the
8 Ballard Business Improvement Area.

9 **Section 5.** To finance the programs authorized in Section 3 of this resolution, there is
10 proposed to be levied upon and collected from the owners and operators of business property,
11 multi-family residential property (buildings containing four or more residential units), and
12 mixed-use property (multi-family residential and commercial) located within the boundaries of
13 the Ballard Business Improvement Area described in Section 2 of this resolution, a seven-year
14 special assessment. The initial assessment calculations will be based upon King County
15 Assessor's Office records as of April 1, 2015. Ratepayers will be assessed by The City of Seattle
16 for seven annual installments beginning with the base year of authorization, by applying the
17 following assessment rates to each ratepayer:

18 A. First Year Assessment = $(\$0.52 \times (\text{Total Appraised Value}/\$1,000)) + (\$0.12 \times$
19 $\text{Total Lot Square Feet})$. Total Appraised Value in these calculations shall be based on Land +
20 Improvements. This calculation is called the "Base Formula." Modifications or limitations to the
21 First Year Assessments are described below. To the extent that ratepayers are eligible for multiple
22 assessment ceilings, the lowest applicable rate applies.

1 B. The assessment ceiling for owned and rental multi-family residential units is \$90
2 per unit per year. This ceiling applies to all multi-family residential buildings containing four or
3 more residential units whether or not the building is located on one or multiple property parcels
4 and/or the ratepayer has combined or intends to combine multiple parcels.

5 C. The assessment ceiling for building square footage is \$0.20 per square foot for
6 any property with a Floor Area Ratio that is 0.5 or more. Floor Area Ratio in these calculations
7 shall be based on Building Square Feet divided by Total Lot Square Feet.

8 D. If the Total Appraised Value (Land + Improvements) and Total Taxable Value
9 (Land + Improvements) in the King County Assessor's records are not equal due to tax
10 exemption status, the following rules apply:

11 1. If the Total Taxable Value is zero, then the First Year Assessment =
12 $[(\$0.52 \times (\text{Total Appraised Value} / \$1,000)) + (\$0.12 \times \text{Total Lot Square Feet})] \times 25\%$.

13 2. If the Total Taxable Value is not zero, the First Year Assessment =
14 $(\$0.52 \times (\text{Total Taxable Value} / \$1,000)) + (\$0.12 \times (\text{Total Lot Square Feet} \times \text{Total Taxable}$
15 $\text{Value} / \text{Total Appraised Value})) + [(\$0.52 \times (\text{Total Appraised Value} - \text{Total Taxable Value} /$
16 $\$1,000)) + (\$0.12 \times (\text{Total Lot Square Feet} \times ((\text{Total Appraised Value} - \text{Total Taxable Value}) /$
17 $\text{Total Appraised Value})) \times 25\%]$.

18 E. Any properties owned by governmental entities shall be subject to assessment
19 based on the assessment rates described above if the governmental entity is operating as a
20 business. At the time of formation, there are no properties owned by governmental entities that
21 are subject to assessment.

22 F. To maintain the current level of services and benefits provided by the Ballard
23 Business Improvement Area, the assessment rates shall be adjusted by an Inflationary Factor

1 applied to each of the assessment rates after the first year assessment. The Inflationary Factor
2 will be the lesser of three percent per year or the percentage change in the Consumer Price Index
3 for All Urban Consumers in Seattle-Tacoma-Bremerton ("CPI-U-Seattle") between October
4 2016 and October of the year prior to the assessment year.

5 1. Second Year Assessment: The Inflationary Factor shall be calculated using
6 the lesser of three percent or the percentage change in the CPI-U-Seattle between October 2016
7 and October 2017.

8 2. Third Year Assessment: The Inflationary Factor shall be calculated using
9 the lesser of six percent or the percentage change in the CPI-U-Seattle between October 2016
10 and October 2018.

11 3. Fourth Year Assessment: The Inflationary Factor shall be calculated using
12 the lesser of nine percent or the percentage change in the CPI-U-Seattle between October 2016
13 and October 2019.

14 4. Fifth Year Assessment: The Inflationary Factor shall be calculated using
15 the lesser of 12 percent or the percentage change in the CPI-U-Seattle between October 2016
16 and October 2020.

17 5. Sixth Year Assessment: The Inflationary Factor shall be calculated using
18 the lesser of 15 percent or the percentage change in the CPI-U-Seattle between October 2016
19 and October 2021.

20 6. Seventh Year Assessment: The Inflationary Factor shall be calculated
21 using the lesser of 18 percent or the percentage change in the CPI-U-Seattle between October
22 2016 and October 2022.

1 G. “New Benefit Areas” shall be added to the assessment roll on an annual basis, and
2 will supersede the previous assessment for that parcel. A New Benefit Area is created when a
3 parcel’s Net Building Square Footage increases as a result of either a new building or expansion
4 of an existing building, as recorded by the King County Assessor’s Office. The Base Formula for
5 a New Benefit Area will be calculated for the following assessment year using the most current
6 available King County Assessor’s Office records.

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

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

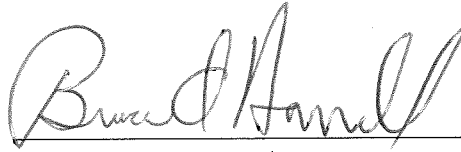
12 2. The percentage change in the CPI-U-Seattle from October of the year
13 prior to the addition of the New Benefit Area to the assessment roll to October of the year prior
14 to the assessment year.

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

18 **Section 6.** A hearing shall be held on this matter before the Affordable Housing,
19 Neighborhoods and Finance Committee in the City Council Chambers, City Hall, 600 Fourth
20 Avenue, 2nd Floor, Seattle, Washington 98104 on Wednesday, September 7, 2016, at 9:30 a.m.,
21 or as soon thereafter as the same may be heard. The City Council will hear all protests and
22 receive all evidence for or against the proposed action.

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

Adopted by the City Council the 1st day of August, 2016,
and signed by me in open session in authentication of its adoption this 1st day of
August, 2016.



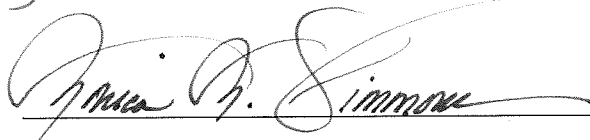
President _____ of the City Council

The Mayor concurred the 3rd day of August, 2016.



Edward B. Murray, Mayor

Filed by me this 3rd day of August, 2016.



Monica Martinez Simmons, City Clerk

(Seal)

Attachments:
Exhibit A - Ballard Improvement Area

STATE OF WASHINGTON -- KING COUNTY

--SS.

340405

No. 31684,31685,31686,31687

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.

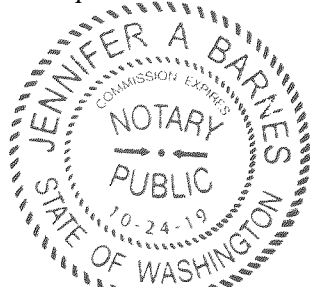
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:TITLE ONLY RESOLUTIONS

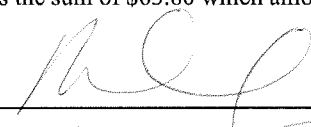
was published on

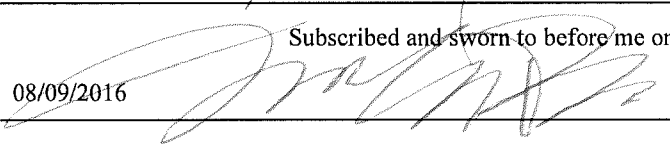
08/09/16

The amount of the fee charged for the foregoing publication is the sum of \$63.80 which amount has been paid in full.



Affidavit of Publication


Subscribed and sworn to before me on


08/09/2016

Notary public for the State of Washington,
residing in Seattle

State of Washington, King County

City of Seattle

Title Only Resolutions

The full text of the following legislation, passed by the City Council on August 1, 2016, and published below by title only, will be mailed upon request, or can be accessed at <http://seattle.legistar.com>. For information on upcoming meetings of the Seattle City Council, please visit <http://www.seattle.gov/council/calendar>.

Resolution 31684

A RESOLUTION relating to the City Light Department; acknowledging the 2016 Integrated Resource Plan for future energy efficiency and power resources needed to provide reliable, cost effective, and environmentally responsible electric power to the citizens of Seattle as conforming with the public policy objectives of The City of Seattle and the requirements of the State of Washington; and approving the plan for the biennium September 2016 through August 2018.

Resolution 31685

A RESOLUTION of intention to establish a Ballard Parking and Business Improvement Area and fix a date and place for a hearing thereon.

Resolution 31686

A RESOLUTION to initiate a Ballard Parking and Business Improvement Area

Resolution 31687

A RESOLUTION declaring the intention of the City Council to hold a public hearing relating to changing the assessment rates for the West Seattle Junction Parking and Business Improvement Area.

Date of publication in the Seattle Daily Journal of Commerce, August 9, 2016.

8/9(340405)

STATE OF WASHINGTON -- KING COUNTY

--SS.

341061

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.

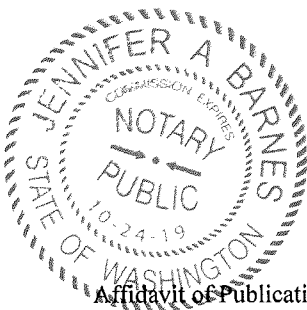
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CT:RESOLUTION 31685

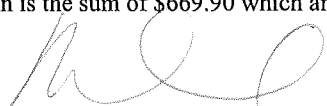
was published on

08/27/16

The amount of the fee charged for the foregoing publication is the sum of \$669.90 which amount has been paid in full.



Affidavit of Publication


Subscribed and sworn to before me on

08/29/2016 

Notary public for the State of Washington,
residing in Seattle

State of Washington, King County

City of Seattle

Notice of Seattle City Council Public Hearing on proposed Ballard Parking and Business Improvement Area (Ballard BIA)

CITY OF SEATTLE

RESOLUTION 31685

A RESOLUTION of intention to establish a Ballard Parking and Business Improvement Area and fix a date and place for a hearing thereon.

WHEREAS, the owners and operators of businesses, multi-family residential properties, and mixed-use properties, subject to nearly 60 percent 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. 319876; and

WHEREAS, the owners of parcel numbers 2768303245, 2768303229, and 2768303190, known as the "Ballard Blocks," which are outside of the boundaries proposed in the petition, submitted a letter of support, after petitions had been circulated, requesting their properties be added to the Ballard Business Improvement Area; and

WHEREAS, the City Council has reviewed that petition and letters of support, but determined it is in the best interests of the City to proceed, as permitted by chapter 35.87A RCW, under the resolution method of creating a Business Improvement Area instead of the petition method;

WHEREAS, the City Council introduced Resolution 31686 on July 25, 2016, initiating the Ballard Parking and Business Improvement Area; and

WHEREAS, the City Council wishes to declare its intent to establish a Ballard Parking and Business Improvement Area, 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, THE MAYOR CONCURRING, THAT:

Section 1. The City Council of The City of Seattle declares its intention to establish a Ballard Parking and Business Improvement Area in accordance with chapter 35.87A RCW, to be known as the Ballard Business Improvement Area.

Section 2. The Ballard Business Improvement Area shall be within the following boundaries as shown on the map attached as Exhibit A to this resolution (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):

Beginning at the intersection of NW Market Street and 28th Avenue NW, proceed east along NW Market Street to 26th Avenue NW. Proceed north along 26th Avenue NW to NW 56th Street. Proceed east along NW 56th Street to the western boundary of the property at the northwest corner of the intersection at 24th Avenue NW and NW 56th Street. Proceed north along the western boundary of the property at the northwest corner of the intersection at 24th Avenue NW and NW 56th Street to the northern boundary of the property at the northwest corner of the intersection at 24th Avenue NW and 56th Street. Proceed east along the northern boundary of the property at the northwest corner of the intersection at 24th Avenue NW and NW 56th Street to the western boundary of the property at the southwest corner of the intersection at 24th Avenue NW and NW 57th Street. Proceed north along the western boundary of the property at the southwest corner of the intersection at 24th Avenue NW and NW 57th Street to the northern boundary of the property at the southwest corner of the intersection at 24th Avenue NW and NW 58th Street. Proceed east along NW 58th Street to 22nd Avenue NW including the two most eastern properties adjoining NW 58th

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

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A. First Year Assessment = $(\$0.52 \times (\text{Total Appraised Value} / \$1,000)) + (\$0.12 \times \text{Total Lot Square Feet})$. Total Appraised Value in these calculations shall be based on Land + Improvements. This calculation is called the "Base Formula." Modifications or limitations to the First Year Assessments are described below. To the extent that ratepayers are eligible for multiple assessment ceilings, the lowest applicable rate applies.

B. The assessment ceiling for owned and rental multi-family residential units is \$90 per unit per year. This ceiling applies to all multi-family residential buildings containing four or more residential units whether or not the building is located on one or multiple property parcels and/or the ratepayer has combined or intends to combine multiple parcels.

C. The assessment ceiling for building square footage is \$0.20 per square foot for any property with a Floor Area Ratio that is 0.5 or more. Floor Area Ratio in these calculations shall be based on Building Square Feet divided by Total Lot Square Feet.

D. If the Total Appraised Value (Land + Improvements) and Total Taxable Value (Land + Improvements) in the King County Assessor's records are not equal due to tax exemption status, the following rules apply:

1. If the Total Taxable Value is zero, then the First Year Assessment =

$$[(\$0.52 \times (\text{Total Appraised Value} / \$1,000)) + (\$0.12 \times \text{Total Lot Square Feet})] \times 25\%$$

2. If the Total Taxable Value is not zero, the First Year Assessment =

$$(\$0.52 \times (\text{Total Taxable Value} / \$1,000)) + (\$0.12 \times (\text{Total Lot Square Feet} \times \text{Total Taxable Value} / \text{Total Appraised Value})) + [(\$0.52 \times (\text{Total Appraised Value} - \text{Total Taxable Value} / \$1,000)) + (\$0.12 \times (\text{Total Lot Square Feet} \times (\text{Total Appraised Value} - \text{Total Taxable Value} / \text{Total Appraised Value})) \times 25\%]$$

E. Any properties owned by governmental entities shall be subject to assessment based on the assessment rates described above if the governmental entity is operating as a business. At the time of formation, there are no properties owned by governmental entities that are subject to assessment.

F. To maintain the current level of services and benefits provided by the Ballard

Business Improvement Area, the assessment rates 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 October 2016 and October 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 October 2016 and October 2017.

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 October 2016 and October 2018.

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 October 2016 and October 2019.

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 October 2016 and October 2020.

5. Sixth Year Assessment: The Inflationary Factor shall be calculated using the lesser of 15 percent or the percentage change in the CPI-U-Seattle between October 2016 and October 2021.

6. Seventh Year Assessment: The Inflationary Factor shall be calculated using the lesser of 18 percent or the percentage change in the CPI-U-Seattle between October 2016 and October 2022.

G. "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 King County Assessor's Office records.

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 October of the year prior to the addition of the New Benefit Area to the assessment roll to October of the year prior to the assessment year.

H. 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 with the approval of the Ratepayers Advisory Board and shall not occur more than one time per year.

Section 6. A hearing shall be held on this matter before the Affordable Housing, Neighborhoods and Finance Committee in the City Council Chambers, City Hall, 600 Fourth Avenue, 2nd Floor, Seattle, Washington 98104 on Wednesday, September 7, 2016, at 9:30 a.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 of Intention 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 1st day of August, 2016, and signed by me in open session in authentication of its adoption this 1st day of August, 2016.

/s/ President Harrell of the City Council

The Mayor concurred the 3rd day of August, 2016.

/s/ Edward B. Murray, Mayor

Filed by me this 3rd day of August, 2016.

/s/ Monica Martinez Simmons, City Clerk

(Seal)

Attachments:

Exhibit A - Ballard Improvement Area

Exhibit A: Ballard Improvement Area

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

Publication ordered by the Seattle City Clerk

Date of publication in the Seattle Daily Journal of Commerce, August 27, 2016.

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