The City of Seattle

Resolution 32212

A resolution declaring the intention of the City Council to hold a public hearing relating to clarifying provisions on assessment escalations for the Ballard Business Improvement Area.

Recitals:

In June 2016, ratepayers representing 60 percent of the total assessments expressed their support by petition to establish a new and expanded Ballard Improvement Area.

On September 19, 2023, the City Council passed Ordinance 126911, which established the new and expanded Ballard Business Improvement Area.

The current Ballard Business Improvement Areas has historically levied the special assessments on property owners since the Ballard Business Improvement Areas was first created in 2016.

Ordinance 126911 contains language in subsection 6.E.2.b around assessment installments and annual increments, that is subject to conflicting interpretations.

It is the intent is to remedy the ambiguity to ensure consistent and equitable application of the inflation adjustment factor across all ratepayer classifications.

The Ballard Business Improvement Area ratepayers requested a technical amendment to clarify the inflationary clause.

On August 21, 2026, the City Council will hold a public hearing regarding its intention to clarify the language around the inflationary clause to the Levy of Special Assessment for the Ballard Business Improvement Area. Therefore,

Be it resolved by the City Council of The City of Seattle:

Section 1. The City Council declares its intention to clarify provisions on assessment escalations for the Ballard Business Improvement Area, amending subsection 6.E.2.B of Ordinance 126911 as follows:

Section 6. Levy of special assessments. To finance the programs authorized in Section 5 of this ordinance and as described in the Ballard Alliance Renewal and Business Plan, a 12-year special assessment shall be levied upon and collected from all owners of commercial property, multifamily residential property (buildings containing four or more residential units), and mixed-use property (multifamily residential and commercial) located within the boundaries of the Ballard Improvement Area (BIA) described in Section 4 of this ordinance and shown in Attachment A to this ordinance. Initial assessment calculations will be based on property information from the King County Assessor's Office for Value Year 2021/Tax Year 2022, as accessed on November 30, 2022, and the BIA shall annually update records based on data and information from King County and the City. Ratepayers shall be assessed by the City in 12 annual installments to be billed semi-annually beginning with the base year of authorization (2024), by applying the following assessment rates to each ratepayer:

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E. Assessment Installments and Annual Increments.

1. Ratepayers will be assessed by The City of Seattle for 24 biannual installments beginning with the base year of authorization (2024).

2. For each year following the first year of authorization, the following assessment escalations will apply to the assessment formulas:

a. Year 2: Year 2 assessments will equal Year 1 assessments times the percentage change in the Consumer Price Index (CPI) for All Urban Consumers in Seattle-Tacoma-Bellevue ("CPI-U-Seattle"), October 2022 to October 2023 unless there is an increase in Building Square Feet for a given parcel. If CPI-U-Seattle is less than two percent, use two percent. If CPI-U-Seattle is more than six percent, use six percent.

If there is an increase in Building Square Feet for a given parcel, then that parcel will be recalculated using the latest available King County Assessor's data with the Land Area Factor, Building Square Foot Ceiling, and Residential Ceiling escalated by CPI-U-Seattle (between two and six percent).

b. Years 3 through 12: Use the same annual escalation scheme as for Year 2, with the percentage change ((~~of no more than 6% as the ceiling and no less than 2% as the floor, which is dependent on the CPI-U-Seattle between October 2022 and October of the year prior to the assessment year.~~)) <u>in assessment equal to the percentage change in CPI-U-Seattle from October of the previous year to October of the current year. If the percentage change is less than two percent, use two percent. If the percentage change is more than six percent, use six percent. If CPI-U-Seattle is unavailable for either October of the previous year or October of the current year, use</u>

CPI-U-Seattle for the closest previous month for which it is available to calculate the percentage change.

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Section 2. A hearing shall be heard on this matter before the Human Services, Labor, and Economic Development Committee in the City Council Chambers, City Hall, 600 Fourth Avenue, 2nd Floor, Seattle, Washington 98104 (enter on Fifth Avenue), on Friday, August 21, 2026, at time, or as soon thereafter as the same may be heard. The City Council will hear all protests and receive evidence for or against the proposed action.

Section 3. The City Clerk is requested to publish notice of this intention and of the hearing in a newspaper of general circulation in Seattle and mail a complete copy to each ratepayer within the proposed area, each at least ten days prior to the hearing.

Adopted by the City Council and signed in open session in authentication of its adoption on August 4, 2026.

President __________ of the City Council

Attested on August 6, 2026.

Scheereen Dedman, City Clerk

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