Legislative Department
Seattle City Council
Memorandum

Date: April 2, 2015

To: Finance and Culture Committee

From: Martha Lester, City Council Central Staff

Subject: University District BIA – for Finance and Culture Committee April 3, 2015

Several months ago, the Mayor submitted to the Council proposed legislation to create a new and expanded University District Parking and Business Improvement Area (BIA). C.B. 118302 would disestablish the existing BIA and establish the new BIA including boundaries, programs, assessment rates, and more.

The Finance and Culture (F&C) Committee has considered this proposed legislation at several meetings.

On February 25, the F&C Committee held its first public hearing on C.B. 118302, at which nearly 60 people presented testimony. At the March 6 committee meeting, Councilmembers decided to consider changing the boundaries of the proposed BIA. We mailed and published notice, and the committee held its second public hearing on March 25, at which about 30 people testified.

The committee will meet again on Friday, April 3. Listed below are several potential amendments to C.B. 118302 for your consideration. Actual amendment language is shown on pages 2 to 12. A map of the original boundaries is on page 13, and maps for amendment 7 about possible boundary changes are on pages 14 to 17.

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

<u>Potential Amendments</u>

Amendments discussed at March 6 committee meeting:

1. Reorder list of programs to show "cleaning and public safety" first
2. Require that assessment revenue from the North Ave and South Ave Cleaning Areas be spent for cleaning in those areas
3. Amend recital and add recital about basis for petition threshold
4. Add explanation to list of eligible programs, and delete "illustrative" phrase
5. Change threshold for petition to request disestablishment so that petition signature counting excludes UW

Revised or new amendments:

6. Set representation for several categories of Ratepayers Advisory Board membership and allow non-Ratepayers to be on Board
7. Revise boundaries
8. Add recital to recognize second public hearing held on possible boundary changes
9. Require meetings of the Ratepayers Advisory Board to be open to the public with advance posted notice
10. Require meetings of the Program Manager to be open to the public with advance posted notice
11. Provide exemption for properties that are inaccessible due to construction

1 ***Reorder list of programs to show "cleaning and public safety" first***

Section 5. Programs. Special assessment revenues shall be used for the following component programs:

A. Cleaning and public safety;

B. Events and marketing;

C~~B~~. Policy and advocacy;

~~C. Cleaning and public safety;~~

D. Economic development;

E. Planning;

F. Program management.

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.

2 ***Require that assessment revenue from the North Ave and South Ave Cleaning Areas be spent for cleaning in those areas***

Section 13. Expenditures. Expenditures from the Account shall be made upon demand and presentation of documentation of allowable expenses to the Director by the Program Manager and shall be used exclusively for the programs as defined in Section 5. Revenue from assessments for the North Ave Cleaning Area and the South Ave Cleaning Area shall be used exclusively for cleaning in those areas.

3 ***Amend recital and add recital about basis for petition threshold***

WHEREAS, the owners of businesses, multi-family residential, and mixed-use properties located within the area ~~that are subject to~~ and representing nearly 67 percent of the special assessments levied by this ordinance filed a petition with The City of Seattle to establish a new and expanded University District Parking and Business Improvement Area (University District BIA) pursuant to chapter 35.87A RCW, a copy of which is filed in C.F. 313953; and

WHEREAS, to gauge the percentage of special assessments that were reflected in signed petitions, City staff followed RCW 35.87A.010, and calculated the dollar amount of the special assessment that each business, multi-family residential, or mixed-use property would pay, and compared the dollar amount represented by signed petitions to the estimated total for the entire proposed University District BIA, and the result was nearly 67 percent, which exceeds the threshold of 60 percent stated in RCW 35.87A.010; and

4 ***Add explanation to list of eligible programs, and delete "illustrative" phrase***

Section 5. Programs. Special assessment revenues shall be used for the following component programs:

A. Events and marketing;

B. Policy and advocacy, but not related to land use or zoning changes;

C. Cleaning and public safety;

D. Economic development;

E. Planning;

F. Program management.

~~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.

5 ***Change threshold for petition to request disestablishment so that petition signature counting excludes UW***

Section 18. Request to Disestablish. Upon a petition signed by non-University of Washington Ratepayers that ~~would~~ pay 60 percent of the non-University of Washington ~~proposed~~ special assessments, the Ratepayers Advisory Board shall request the City Council to disestablish the University District BIA in accordance with Chapter 35.87A RCW.

6 ***Set representation for several categories of Ratepayers Advisory Board membership and allow non-Ratepayers to be on Board***

Section 14. Ratepayers Advisory Board. The Director shall appoint an interim Ratepayers Advisory Board comprised of Ratepayers, and residential and/or commercial tenants, from the University District BIA within 30 days of the effective date of this ordinance. The Director shall solicit recommendations from the Ratepayers and tenants in the BIA boundaries, and shall appoint the interim board from that list. The interim Ratepayers Advisory Board will recommend a permanent Ratepayers Advisory Board (the "Board") within 90 days of the effective date of this ordinance. The composition of the Board shall be representative of the entire geographic area of the University District BIA, as well as representative of all Ratepayer classifications and sizes as well as residential and commercial tenants. For both the interim and permanent Boards, no more than 35% of the members shall represent the University of Washington, at least one member shall be a resident (owner or tenant), at least one member shall be a tenant (residential or commercial), and at least 80% of the members shall be Ratepayers. ~~Specifically, no less than 35% of the Board shall be Ratepayers representing the University of Washington and no less than 35% of the Board shall be Ratepayers other than the University of Washington.~~ At least one member shall be a Ratepayer contributing less than 0.5% of the total assessment.

* * *

7 *Revise boundaries*

Councilmember Licata's proposed amendment – combine three options:

Option C: Delete area in northwest shown in yellow on map on page 14

plus

Option G: Delete area in southwest shown in yellow on map on page 15

plus

Option D: Add area in northeast shown in green on map on page 16

Councilmember Burgess's proposed amendment:

Option F: Delete area in northwest shown in yellow on map on page 17

8 ***Add recital to recognize second public hearing held on possible boundary changes***

WHEREAS, as provided by Resolution 31565, the City Council, through its Finance and Culture Committee, held a public hearing at 2 p.m. on February 25, 2015, in City Council Chambers, City Hall, 600 Fourth Avenue, Seattle, Washington, 98104; and

WHEREAS, after hearing testimony that favored changing the boundaries of the proposed new and expanded University District BIA, the Finance and Culture Committee held a second public hearing at 2 p.m. on March 25, 2015, and mailed and published notice of this public hearing as required under RCW 35.87A.070;~~,~~ and

WHEREAS, the testimony received at the two ~~that~~ hearings resulted in the Council determining that disestablishing the 1996 UDBIA and establishing a new and expanded University District BIA is in the best interest of the owners of business, multi-family residential, and mixed-use properties within the University District BIA's expanded boundaries; NOW, THEREFORE,

9 ***Require meetings of the Ratepayers Advisory Board to be open to the public with advance posted notice***

Section 14. Ratepayers Advisory Board.

* * *

The Board shall meet at least once quarterly; recommend an annual work program and budget; address and discuss Ratepayer concerns and questions regarding the University District BIA programs; and sponsor an annual Ratepayers' meeting. At a minimum, meetings of the interim and permanent Boards shall be open to the public, with at least five days' advance notice posted by the Program Manager on its website and also disseminated by any other means that the Program Manager generally uses to communicate with University District BIA constituents.

* * *

10 ***Require meetings of the Program Manager to be open to the public with advance posted notice***

Section 16. Contract for Program Management. The Director is authorized to contract with any local non-profit entity to act as the Program Manager. The Program Manager's duties, subject to the approval of the Ratepayers at each annual meeting, will be to manage the day-to-day operations of the University District BIA and to administer the projects and activities. It is the intent of the City Council that the Director contract with the U District Partnership as the initial Program Manager. Meetings of the Program Manager's board or a committee at which University District BIA-funded activities are anticipated to be discussed shall be open to the public, with at least five days' advance notice posted by the Program Manager on its website and also disseminated by any other means that the Program Manager generally uses to communicate with University District BIA constituents.

11 ***Provide exemption for properties that are inaccessible due to construction***

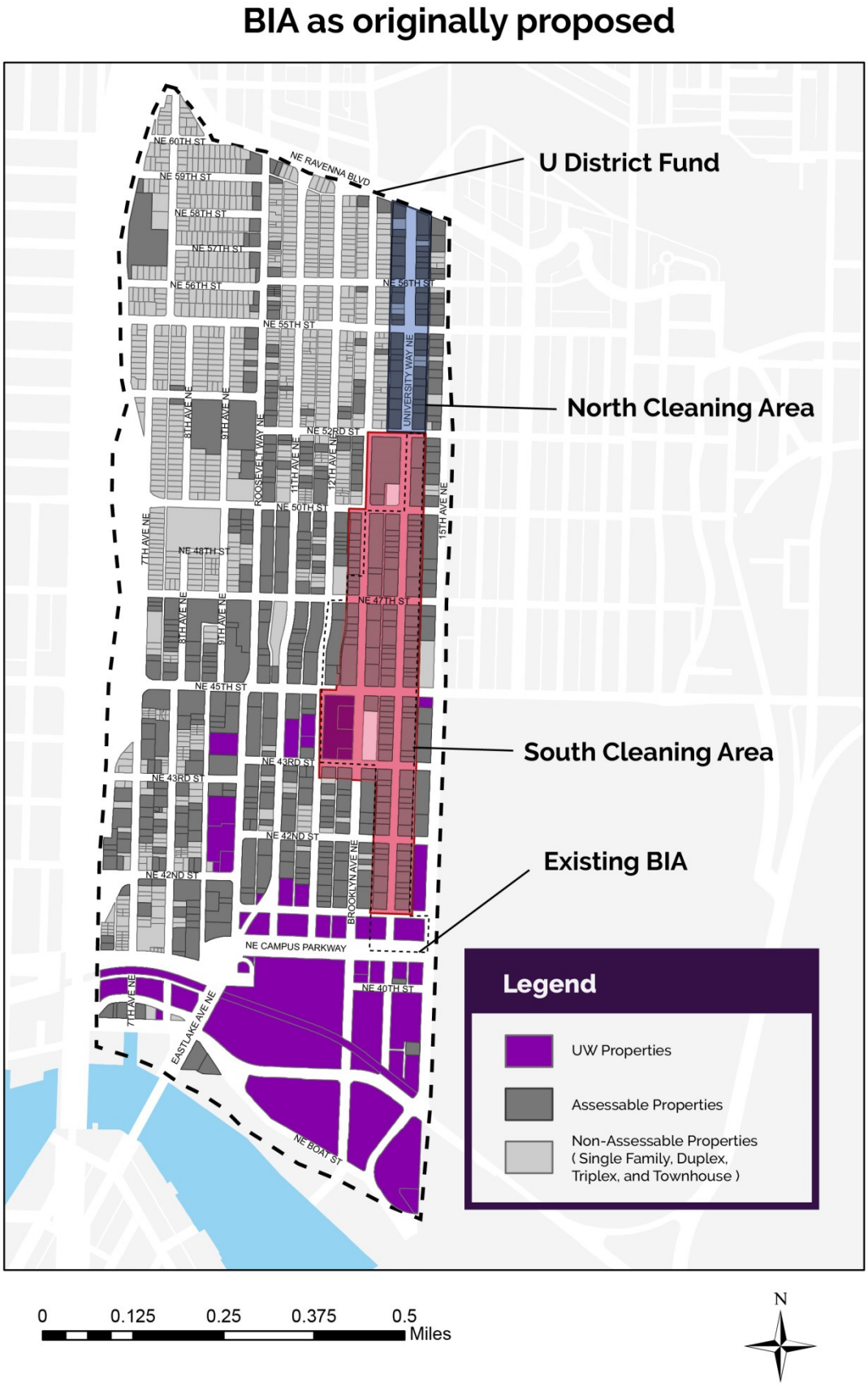
Section 6. Levy of Special Assessments.

* * *

G. Properties not accessible due to construction activities of at least six months in duration shall be exempt from assessment while they remain inaccessible. These include King County Parcel No. 1142000905 and Parcel No. 1142001020 and any other similarly situated properties.

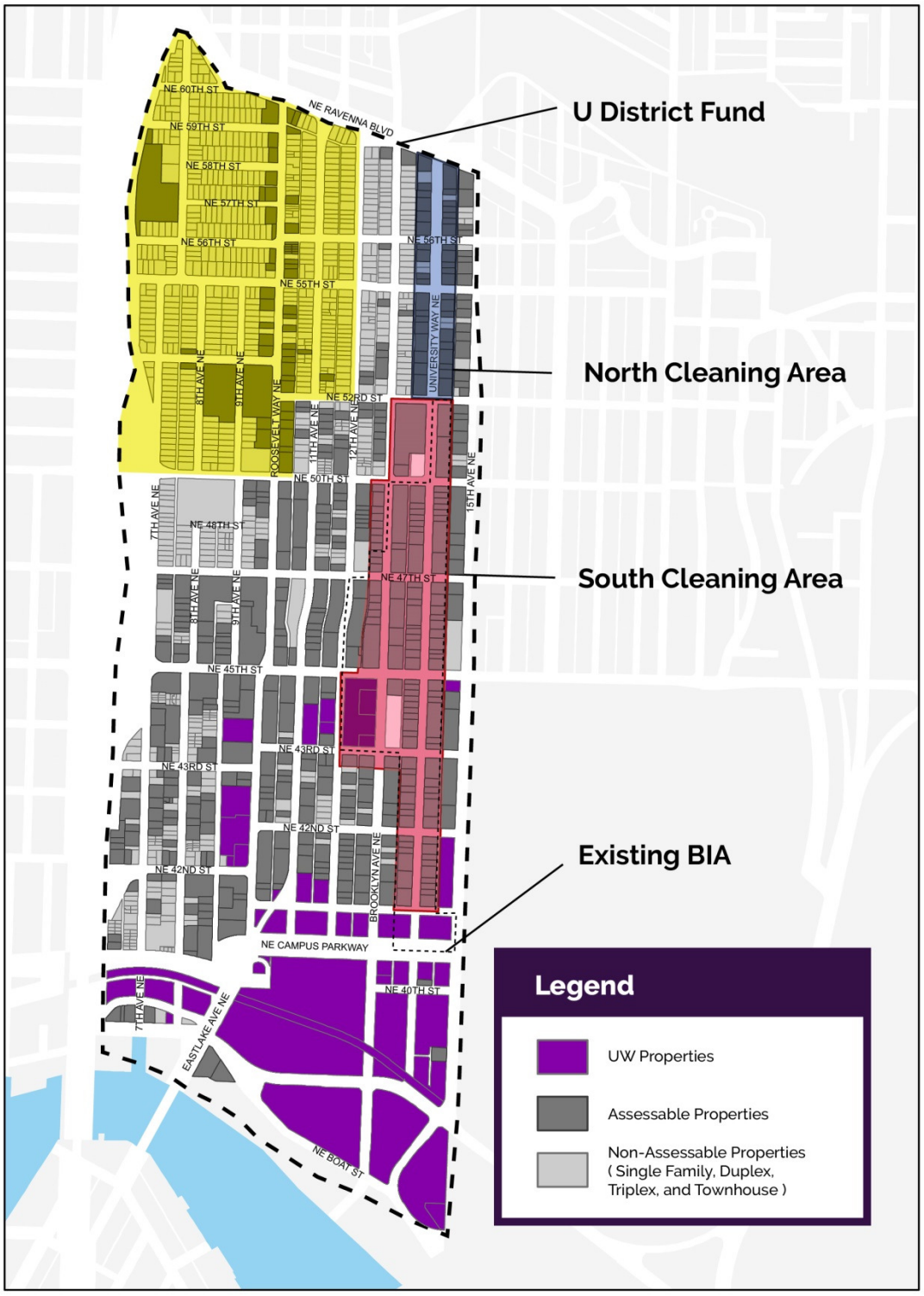
H. Rate Changes. Changes in assessment rates other than as described in this section shall only be authorized by ordinance consistent with RCW 35.87A.140 and with the approval of the Ratepayers Advisory Board and shall not occur more than one time per year.

Boundaries of BIA as originally proposed



Part of Councilmember Licata's proposed amendment (see page 8)

Option C: Delete area in yellow from proposed BIA

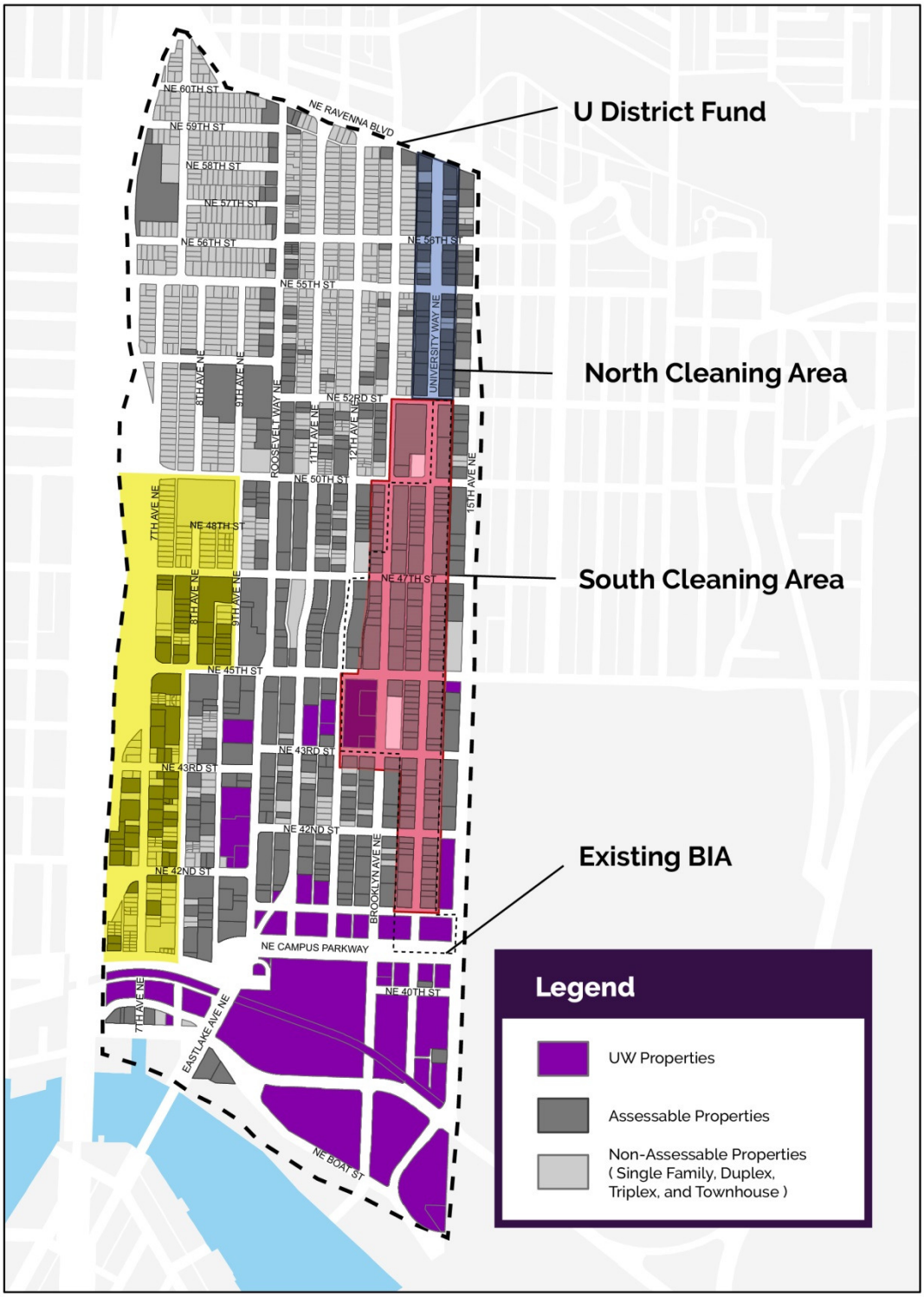


0 0.125 0.25 0.375 0.5 Miles

N

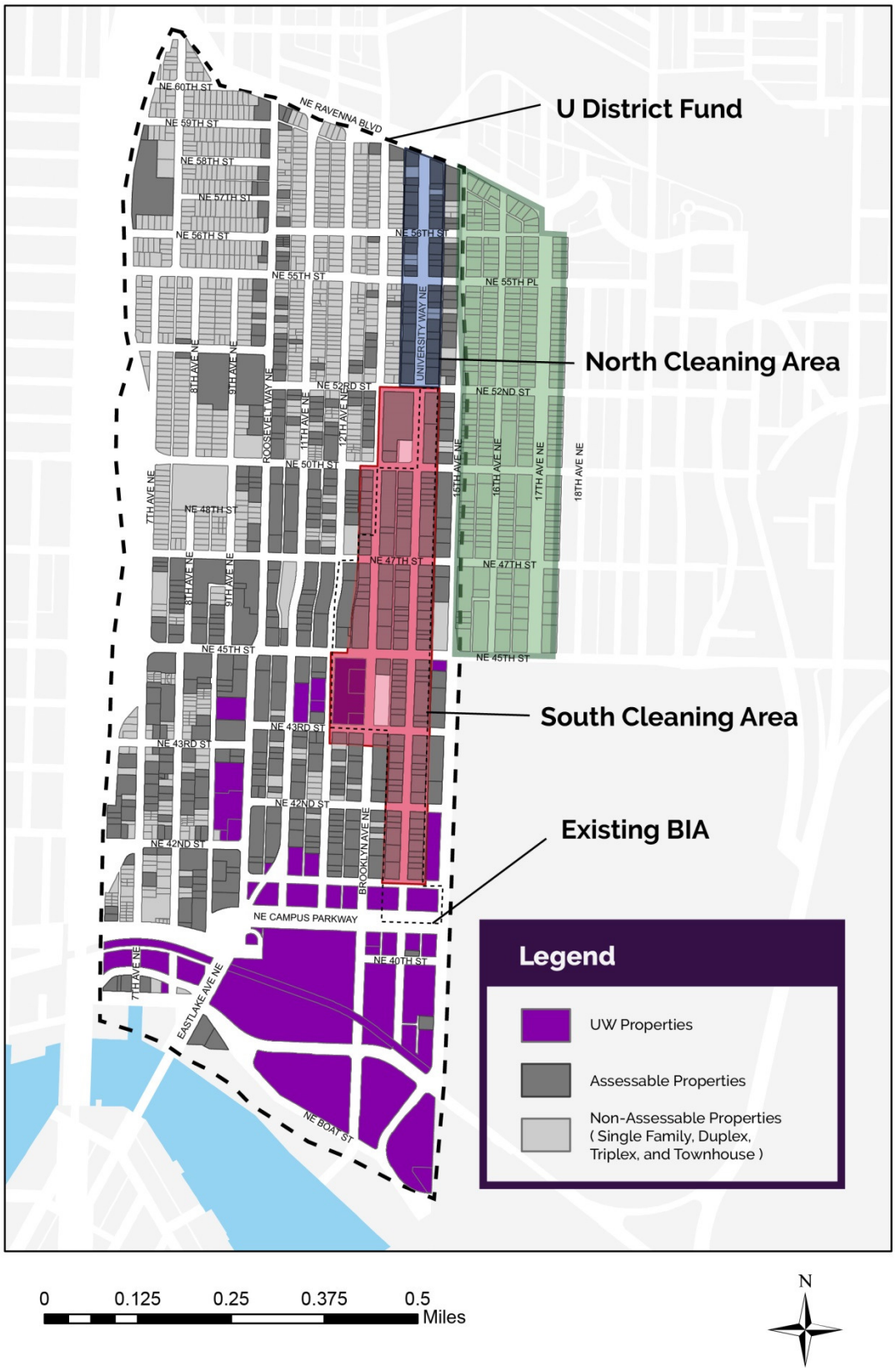
Part of Councilmember Licata's proposed amendment (see page 8)

Option G: Delete area in yellow from proposed BIA



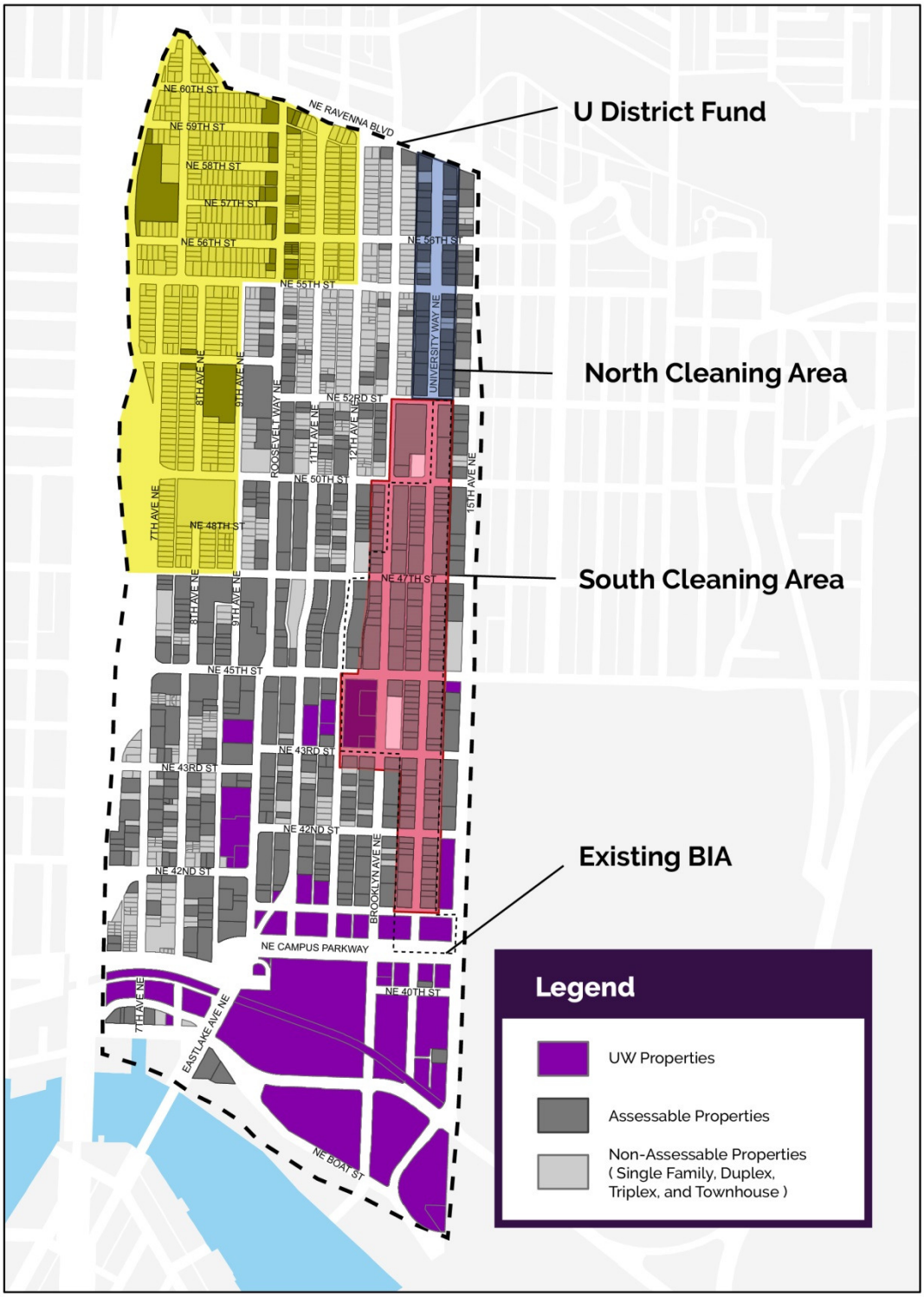
Part of Councilmember Licata's proposed amendment (see page 8)

Option D: Add area in green to proposed BIA



Councilmember Burgess's proposed amendment (see page 8)

Option F: Delete area in yellow from proposed BIA



0 0.125 0.25 0.375 0.5 Miles

N