



**LOCAL IMPROVEMENT DISTRICT
OFFICE OF THE WATERFRONT**

May 2, 2018

CIVIC DEVELOPMENT, PUBLIC ASSETS AND
NATIVE COMMUNITIES COMMITTEE

TODAY'S AGENDA



- Background
- Overview of proposed resolution
- Funding plan
- Local Improvement District Results
- Local Improvement District Legislative Process

BACKGROUND



Year	Action	Purpose
2012	Resolution 31399	<ul style="list-style-type: none"> Endorses Waterfront Program Strategic Plan, establishing funding plan, including local improvement district and philanthropy
2013	Special Benefit Study Commissioned	<ul style="list-style-type: none"> City initiates LID process by hiring third party independent appraiser and commissioning special benefit study. Process put on hold prior to completion of study after Bertha stalled.
2016-2017	Feasibility Study	<ul style="list-style-type: none"> Valbridge Property Advisers hired as new third party independent appraiser, completes Feasibility Study. Estimated \$300-420 million of total special benefit.
2017	Resolution 31768	<ul style="list-style-type: none"> Reaffirms Council's commitment to consider LID. Recognizes Friends of Waterfront Seattle as City's non-profit operations and maintenance partner. Friends commits to bring \$25 million in committed pledges when Council consider LID Formation.
2018	Special Benefit Study Complete	<ul style="list-style-type: none"> Valbridge completes Special Benefit Study Web portal published with preliminary assessments Ongoing outreach

OVERVIEW OF PROPOSED RESOLUTION



- States Council's intention to consider the formation of the Waterfront Seattle Local Improvement District.
- Does not consider the final amount of assessments (part of second phase of legislative actions).
- Commits City to capping total assessment at \$200 million during next phase of legislation
- Initiates public notification, which includes posting in newspaper of record and letter to all property owners.

PUBLIC PROCESS



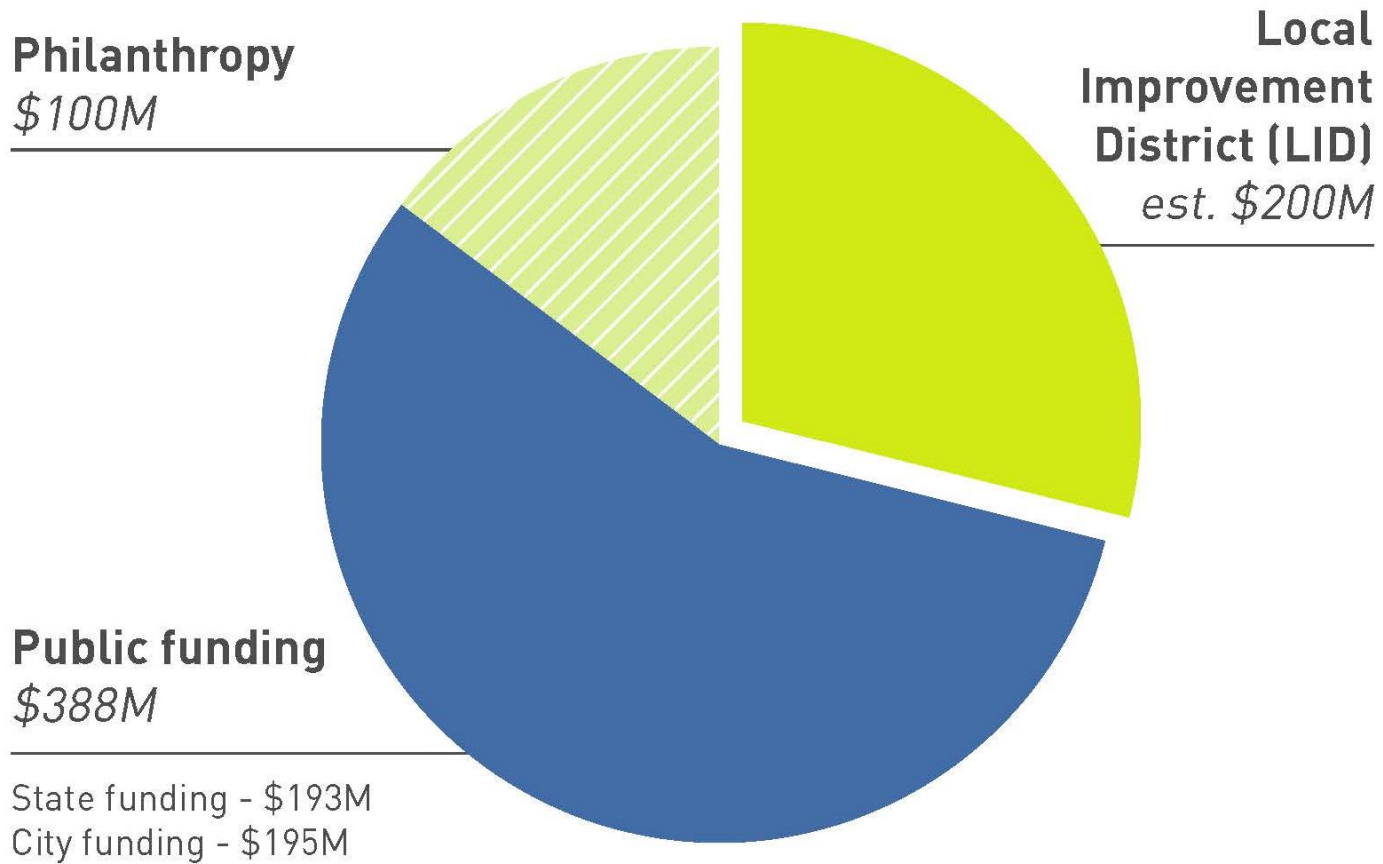
- Two consecutive ads placed in newspaper of record
- Letters sent to all property owners:
 - Assessment information
 - Public hearing dates, times, locations
 - Instructions for protesting

Public Hearings:

Public comment and protest letter submissions.

- **July 13** (Friday), 9:00am-1:00pm & 2:00pm-6:00pm, Convention Center,
- **July 17** (Tuesday), 5:00pm-9:00pm, City Hall
- **July 18** (Wednesday), 5:00pm-9:00pm, City Hall
- **July 28** (Saturday), 9:00am-1:00pm, City Hall

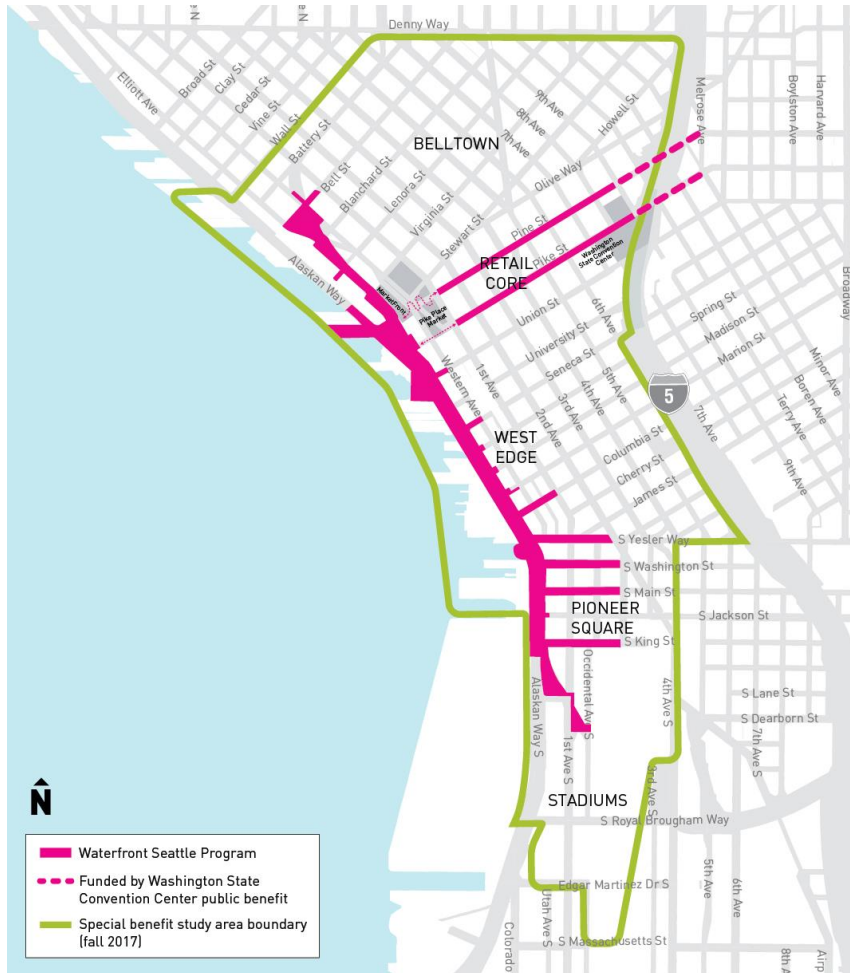
WATERFRONT SEATTLE FUNDING



TOTAL= \$688M

*Does not include WSDOT-funded Marion Street Pedestrian Bridge over Alaskan Way (pending future agreement)

SPECIAL BENEFIT STUDY SUMMARY



Total Parcels: 6,130 (4,960 condominiums)

Total Appraised Value: \$49,187,188,300

Total Special Benefit: \$414,785,000

Proposed Assessment Ratio: 48.27%

Total Proposed Assessment: \$200,000,000 (0.4% of market value)

SPECIAL BENEFIT STUDY RESULTS



Residential Condominiums

- Appraised Value: \$4.3 BB
- Special Benefit: \$57.6 MM
- Median: \$2,379 (0.24% of market value)
- Range: \$0 - \$171K (85% of assessments \$10K or lower)

All Other

- Appraised Value: \$44.5 BB
- Special Benefit: \$357.2 MM
- Median: \$7,300 (0.24% of market value)
- Range: \$0 - \$4.1 million (80% of assessments \$100K or lower)

SPECIAL BENEFIT STUDY RESULTS



Public Properties

- City of Seattle: \$2.1 million
- State of Washington: \$680K
- University of Washington: \$4.6 million
- Convention Center: \$1.3 million
- King County: \$1.2 million
- Port of Seattle: \$1.4 million

EXEMPTIONS AND DEFERRALS



Exemptions

- Per State law, only federal, housing authority, and agricultural land exempt.

Deferrals

- Senior Low Income (State)
- Economic Hardship (City)

Existing Agreements

- Social service providers who have restrictions on their properties receive nominal or zero benefit.

Additional Option

- Social service providers forfeit development rights in exchange for City covering assessment.

OUTREACH TO DATE



- More than **50 briefings** to stakeholders – commercial, residential, public agency, non-profit, social services
- Introductory letter to all property owners in the LID study area
- March 2018 public information sessions (**400+ attendees**)
- Online LID property search tool with estimated special benefit and preliminary assessments (**3,000+ visitors** since April 6)



ANTICIPATED COUNCIL REVIEW AND NEXT STEPS



5/2	Committee briefing on resolution
5/16	Follow-up Committee briefing on resolution, potential action
5/21	Full Council potential action
July	Public Hearings – Convention Center and City Hall
August	Hearing summary sent to Council
September/ October	Council consideration of LID Formation Ordinance, potential action
October	Protests – 30 days after ordinance action, 60% threshold
November	Legal appeals – 30 days after protest period
December	LID Formation Effective



QUESTIONS?