

August 5, 2024

MEMORANDUM

To: Governance, Accountability and Economic Development Committee
From: Lish Whitson, Analyst
Subject: Council Bill 120831: West Seattle Junction Parking and Business Improvement Area Expansion

On Thursday, August 8, the Governance, Accountability and Economic Development (GAED) Committee will receive a briefing on [Council Bill \(CB\) 120831](#), a proposal from the West Seattle Junction Association to expand the boundaries of the West Seattle Junction Parking and Business Improvement Area (WSJ BIA). The proposed boundaries are included as [Exhibit A](#) to the bill. The GAED Committee will then hold a public hearing on the proposed expansion on September 12 and may vote on the bill at that meeting.

This memorandum provides general background about modifications to the boundaries of BIAs and summarizes the content of CB 120831.

BIA Boundary Modifications

Under Washington State Law, “Parking and Business Improvement Areas” are economic development funding mechanisms that allow businesses, multifamily residential development, and mixed-use developments located within the geographic boundaries of an area to assess themselves to fund enhanced services, programming, and management for the area. The Revised Code of Washington (RCW) [Chapter 35.87A](#) guides the creation, funding and operation of BIAs.

The Office of Economic Development (OED) provides staff support to BIAs, and the Department of Finance and Administrative Services (FAS) collects assessment revenues from ratepayers and disburses the funds to the BIA administrator. There are currently 11 established [BIAs in Seattle](#), including the WSJ BIA.

[RCW 35.87A.075](#) allows the Council to modify the boundaries of a BIA, expanding or contracting the boundaries, after holding a public hearing. Modifications may only occur once a year. Expansions must be adjacent to an existing boundary. Notification of the public hearing must include adopting a resolution, and mailing notice to all businesses, multifamily residential and mixed-use buildings within the existing and proposed BIA.

Council Bill 120831

The West Seattle Junction BIA was first [established](#) in 1987. Its current boundaries were established through [Ordinance 124528](#). Council Bill 120831 would implement the first change to the boundaries in ten years.

The West Seattle BIA includes three zones. Zone A is located at the heart of the Junction, extending approximately one block in all directions from the intersection of California Avenue SW and SW Alaska Street. In Zone B, the largest zone, retail businesses pay approximately half the assessment per gross income that retail businesses in Zone A pay. Businesses in Zone C have an additional parking surcharge that pays for the parking lots in the heart of the junction that are managed by the West Seattle Junction Association for the benefit of nearby businesses.

The West Seattle Junction Association, which acts as the BIA administrator, has proposed to expand the boundary of zone B in two areas:

1. Extending the northwest boundary one block north along California Avenue SW to SW Dakota Street; and
2. Extending the southeast boundary east a half block to include properties on the east side of Fautleroy Way SW

These boundary modifications would add 32 ratepayers to the BIA. By expanding the boundaries of the BIA, OED anticipates that the BIA assessments would increase by 8.2 percent to \$490,323. There would not be any change to the rates charged to existing ratepayers.

Next Steps

A required public hearing will be held in the GAED Committee on September 12 at 2:00 PM. Generally, the Council rules state that a Committee should not vote on the same day as a public hearing, but the Committee can waive that rule based on a motion of the Chair. If the Committee does vote to suspend that rule, the legislation could be considered as early as the September 24 Council meeting.

cc: Ben Noble, Director
Yolanda Ho, Deputy Director