

SUMMARY and FISCAL NOTE*

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|----------------------|------------------------------|---------------------------------|
| Department: | Contact Person/Phone: | Executive Contact/Phone: |
| Economic Development | Phillip Sit / 256-5137 | Miguel Jimenez |

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title:

AN ORDINANCE relating to the SODO Parking and Business Improvement Area; modifying the districtwide assessment update for 2021; and amending Ordinance 125678.

Summary and background of the Legislation:

The proposed legislation will postpone the districtwide assessment update for the SODO Parking and Business Improvement Area (PBIA).

Background: Through Ordinance 125678, the City renewed and expanded the SODO Parking and Business Improvement Area (PBIA) in 2018 for a ten-year term. Ordinance 125678 provided for the levy of special assessments upon businesses and property owners within the SODO BIA, for the purpose of enhancing conditions for operation of those businesses and properties.

On May 17th, 2020, the SODO BIA Board of Directors held a ratepayer advisory board meeting to discuss postponing the districtwide assessment update for 2021 to provide financial relief to ratepayers in the district.

On July 17th, 2020, the SODO BIA Board of Directors voted to postpone the districtwide update for 2021, with new assessment values taking effect in 2022.

The SODO BIA ordinance (#125678) is for a ten-year term with the initial two years of assessments (2019 & 2020) calculated on the 2017 property values from King County, and then after a district wide update in 2020, the next 2 years of assessments (2021 & 2022) would be on 2021 values. A significant amount of properties has increased in value significantly in the period between 2017-2021, which would result in higher assessment rates if the update were not postponed for 2021.

2. CAPITAL IMPROVEMENT PROGRAM

This legislation creates, funds, or amends a CIP Project.

3. SUMMARY OF FINANCIAL IMPLICATIONS

This legislation has direct financial implications.

| | | | | |
|---|--------------------------------|-------------|-------------------------------|--------------------|
| Budget program(s) affected: | | | | |
| Estimated \$ Appropriation change: | General Fund \$ | | Other \$ | |
| | 2020 | 2021 | 2020 | 2021 |
| Estimated \$ Revenue change: | Revenue to General Fund | | Revenue to Other Funds | |
| | 2020 | 2021 | 2020 | 2021 |
| | | | | (\$380,000) |
| Positions affected: | No. of Positions | | Total FTE Change | |
| | 2020 | 2021 | 2020 | 2021 |
| Other departments affected: | | | | |

3.a. Appropriations

This legislation adds, changes, or deletes appropriations.

3.b. Revenues/Reimbursements

This legislation adds, changes, or deletes revenues or reimbursements.

Anticipated Revenue/Reimbursement Resulting from this Legislation:

| Fund Name and Number | Dept | Revenue Source | 2020 Revenue | 2021 Estimated Revenue |
|--------------------------------------|-------------|-----------------------|---------------------|-------------------------------|
| 19857 SODO Business Improvement Area | FAS | Ratepayer Assessments | \$985,966 | \$985,966 |
| TOTAL | | | \$0 | \$0 |

Is this change one-time or ongoing? One Time

Revenue/Reimbursement Notes: The proposed amendment would postpone the anticipated revenue increase (estimated at \$380,000) from the districtwide assessment update in FY2021. The 2020 and 2021 revenues reflect the amount that is authorized by Ordinance 125678.

3.c. Positions

This legislation adds, changes, or deletes positions.

4. OTHER IMPLICATIONS

- a) **Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?**
No.
- b) **Is there financial cost or other impacts of not implementing the legislation?**
No. The SODO BIA is established as a revenue-neutral program.
- c) **Does this legislation affect any departments besides the originating department?**
Yes – the Department of Finance and Administrative Services (FAS), which administers the assessments for the BIAs. OED has worked in close coordination with FAS on this legislation package.
- d) **Is a public hearing required for this legislation?**
No.
- e) **Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**
No.
- f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No.
- g) **Does this legislation affect a piece of property?**
No.
- h) **Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**
The BIA benefits property owners, business owners, employees, visitors, and residents with cleaning services, events, and support for new and existing businesses. However, there is potential for the BIA to lead to higher residential and commercial rents since business owners' costs will be slightly increasing to pay for the new services. People of color (POC) could be disproportionately impacted if these changes to costs occur, but there is no data to determine likely impacts.
- i) **If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.**
The SODO BIA is an existing program.
- j) **Other Issues:** None.

List attachments/exhibits below: None.