

SUMMARY and FISCAL NOTE*

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** 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:

A RESOLUTION setting the time and place for hearings on the appeals of certain appellants, Hearing Examiner Case Numbers CWF-0067, CWF-0015, and CWF-0231, from the final findings and recommendation report of the Hearing Examiner on the final assessment roll for Local Improvement District No. 6751.

Summary and background of the Legislation:

This resolution would set the time and place for the hearing of three, separate appeals from the final report of the Hearing Examiner on the final assessment roll for Local Improvement District No. 6751 before the Public Assets and Native Communities Committee on April 6, 2021.

Background:

In May 2018, Council adopted Resolution 31812 declaring the City’s intent to construct the Seattle Central Waterfront Improvement Program and to create a local improvement district (LID) to assess a part of the cost and expense of those improvements against the properties specially benefited by the improvements. Resolution 31812 also notified all persons who object to such improvements to appear and present their objections at scheduled public hearings. It directed the City Clerk to give notice of the adoption of the resolution, provide information about the proposed Waterfront LID, and share notice of the hearings with potentially affected property owners.

The Hearing Examiner subsequently conducted hearings, prepared a report, and delivered the report to Council for consideration before the Council’s decision to form the Waterfront LID through Ordinance 125760.

In passing Ordinance 125760 to establish the Waterfront LID in January 2019, Council ordered the preparation of the final assessment roll for the Waterfront LID. The final assessment roll for a local improvement district, like the Waterfront LID, is a listing of all properties in the local improvement district and the amount to be assessed against each property based on the increase in value accruing to each property, the special benefit, that is attributable to the construction of the local improvements.

In January 2019, the City commissioned ABS Valuation (City Appraiser) to perform a Final Special Benefit Study to determine the special benefit that each property located within the Waterfront Local Improvement District (LID) boundary would receive from the LID Improvements. In November 2019, based on the estimates in the Final Special Benefit Study, the

Director of Transportation prepared the proposed final assessment roll for Local Improvement District (LID) No. 6751 and filed it with the City Clerk.

On November 18, 2019, the Council passed Resolution 31915, which initiated the process to confirm Waterfront LID assessments and designated February 4, 2020, as the date for the hearing and designated the Hearing Examiner for The City of Seattle to conduct the required hearing on the Waterfront LID final assessment. The Hearing Examiner filed his report of findings and recommendation with the City Clerk on September 8, 2020 (Initial Report). Pursuant to Seattle Municipal Code 20.04.090, his filing of the report initiated the possibility of appeals from his report to Council.

Revised Code of Washington (RCW) 35.44.070 and Seattle Municipal Code (SMC) 20.04.090 require the Council to hear any appeals from the report of the Hearing Examiner on the final assessment roll for local improvement districts. And SMC 20.04.090 and City Council Rules for Quasi-Judicial Proceedings (QJ Rules) subsection V.A.2 require that an appellant must file a notice of appeal from said report with the City Clerk within 14 days of the Hearing Examiner's filing of the recommendation with the City Clerk.

SMC 20.04.090 requires the Council to set a time and place for a hearing on the appeal before the City Council or a committee thereof and to give notice of the time and place to the appellant following the filing of the notice of appeal. QJ Rules subsection IV.A states that the Council may delegate the appeal review to a committee and that the committee would make a recommendation to the full Council on the appeal. QJ Rules subsection VI.A requires the delegated committee to set the time and place for the hearing on the appeal within 15 days following the filing of the appeal with the City Clerk.

After the Hearing Examiner filed the Initial Report, the City Clerk received multiple appeals and it was necessary for Council to fix dates for hearings on valid appeals within the required 15-day time period. Council delegated appeals to the Council's Public Assets and Native Communities Committee and fixed dates for hearing on the appeals by adopting Resolutions 31969, 31972, 31973 and 31974.

In the Initial Report, the Hearing Examiner recommended the remand of certain properties (remanded properties) to the City Appraiser for further analysis of their valuation before making a final recommendation on the final assessment of the remanded properties.

In November 2020, Council adopted Resolution 31979, thereby:

- Remanding to the City Appraiser for further analysis the valuation of the 17 properties (remanded properties);
- Directing the City Appraiser to submit further analysis concerning valuation of the remanded properties to the Hearing Examiner no later than November 30, 2020;
- Directing the Hearing Examiner to review the City Appraiser's further analysis for the remanded properties and to provide notice and hold a hearing on the results of the analysis on the remanded properties;

- Directing the Hearing Examiner to reduce any findings, recommendations, and decisions on the remanded properties to writing and consolidate them with the findings and recommendations of the Initial Report into a Final Report;
- Requesting the Hearing Examiner to file the Final Report with the City Clerk no later than February 1, 2021;
- Directing the City Clerk to post the filing or otherwise make it available;
- Providing for appeal of the Final Report by any party who made a timely protest at the initial hearing;
- Providing for the filing of amendment to an appeal that was properly submitted in response to the Initial Report;
- Clarifying that parties who properly filed appeals in response to the Initial Report and who do not wish to amend their appeals in response to the Final Report are not required to take any further action for their appeals to be heard; and
- Rescheduling the hearings of multiple appeals from the Initial Report previously scheduled via the adoption of Resolutions 31969, 31972, 31973 and 31974: the December 1, 2020 hearings to March 2, 2021 and the January 5, 2021 hearings to April 6, 2021.

The City Appraiser and the Hearing Examiner acted in accordance with the directions in Resolution 31979. And, the Hearing Examiner filed the Final Report with the City Clerk on February 1, 2021. The City Clerk provided notice of the filing.

The City Clerk received multiple appeals from the Final Report by February 5, making it necessary to fix the date for hearings on the appeals within the required 15-day time period. This resolution to establish the hearing date for three appeals may be followed by one or more additional resolutions for the same purpose, if more valid appeals are filed before the deadline.

The Council may not approve the final assessment roll for the Waterfront Local Improvement District (LID) without reviewing and deciding upon appeals of the HE's recommendation on the final assessment roll. The LID assessment would fund \$160 million of improvements plus approximating \$15.5 million on financing costs of the LID.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? Yes No

If yes, please fill out the table below and attach a new (if creating a project) or marked-up (if amending) CIP Page to the Council Bill. Please include the spending plan as part of the attached CIP Page. If no, please delete the table.

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? Yes No

If there are no changes to appropriations, revenues, or positions, please delete the table below.

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

See below.

Is there financial cost or other impacts of *not* implementing the legislation?

The Council may not approve the final assessment roll for the Waterfront Local Improvement District (LID) without reviewing and deciding upon appeals of the Hearing Examiner's recommendation on the final assessment roll. The LID assessment would fund \$160 million of improvements plus any financing costs of the LID.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

Approval of the LID final assessment roll would allow Finance and Administrative Services to collect the LID assessment funding improvements executed by the Department of Transportation and Parks and Recreation. The Office of the Waterfront and Civic Projects leads this effort to carry out the improvements.

b. Is a public hearing required for this legislation?

No.

c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

d. Does this legislation affect a piece of property?

The resolution schedules hearings on appeals of the Waterfront LID assessments of parcels within the LID. It has no effect on the properties themselves.

e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

No known impacts.

f. Climate Change Implications

1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way? Not applicable. The resolution is administrative.

2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects. Not applicable. The resolution is administrative.

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**

None.