

September 11, 2025

## MEMORANDUM

**To:** Government, Accountability and Economic Development Committee  
**From:** Jasmine Marwaha, Analyst  
**Subject:** SODO Business Improvement Area Assessment Amendment - Council Bill 121073

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On September 11, 2025, the Government, Accountability and Economic Development Committee (Committee) will have an initial briefing and discussion on [Council Bill \(CB\) 121073](#), which would change the assessment rate and exemptions to the Levy of Special Assessment of the SODO Business Improvement Area (BIA). Proponents of the changes from the SODO BIA will be at the Committee meeting to describe the background, outreach, and intent of the proposal.

This memorandum: (1) provides general background about BIAs and State law governing amending BIA assessment rates; (2) summarizes the content of [CB 121073](#); and (3) identifies next steps.

### Background

BIAs are economic development funding mechanisms that allow businesses, multifamily residential developments, 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.

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

Procedures for establishing, amending, and operating a BIA are governed by [Chapter 35.87A RCW](#). BIA assessment rates may be amended by ordinance after a public hearing. [Resolution 32182](#), scheduled to be voted on at Full Council on September 16, states the City's intent to amend the SODO BIA assessment rates and exemptions, and sets a date of the public hearing for the GAED Committee on December 11, 2025, with notice published in the Daily Journal of Commerce and mailed to all potential ratepayers.

### Council Bill 121073

The SODO BIA currently funds programs and services relating to transportation, safety, cleaning, economic development, and business community engagement.<sup>1</sup> The boundaries can be found on the [SODO BIA website](#). BIA services are predominantly funded by private property owners within the BIA's boundaries, assessed at \$0.50 per \$1,000 of a property's total taxable

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<sup>1</sup> <https://sodoseattle.org/sodo-bia/#sodo-workplan>

value (TTV). Non-profit-owned properties and government-owned properties that are leased to commercial tenants are assessed using a rate based on their lot square footage. However, this lot square footage rate does not escalate with inflation or property value appraisal. As a result, properties with taxable value have seen their rates rise while the rates of other assessed properties have not kept pace.

[Council Bill \(CB\) 121073](#) is intended to adjust assessments to more accurately and equitably reflect the level of benefits received by all ratepayers. The bill would change the basis of assessments to total *appraised* value (TAV), with an exemption for government-owned properties unless they are leased, or available for lease, by a non-governmental tenant (and therefore assumed to be not in government use). Using this approach, all non-profit-owned properties<sup>2</sup> and more government-owned properties would be subject to additional assessment.

It is possible that there are additional government-owned properties within the SODO BIA boundaries that benefit from ratepayer services. The bill includes a section directing the Office of Economic Development (OED) to convene stakeholders to develop a recommendation for any changes in assessment rates for those properties. OED would report back to Council by no later than July 1, 2026 with proposed changes.

Finally, the Bill would also establish a fixed cutoff date each year for pulling assessment data, to serve as the basis for the amount to be billed to property owners, regardless of any subsequent changes in assessment data from the King County Assessor's Office. This change was requested by the SODO BIA due to instances where significant delays in the King County Assessor's data release forced the SODO BIA to bill based on incomplete information, resulting in the need to back-bill or issue refunds to correct underassessments or overpayments. The changes in CB 121073 are intended to streamline SODO BIA operations and maintain consistent services.

## **Next Steps**

On September 11, 2025, the Committee will have an initial briefing and discussion on [Council Bill \(CB\) 121073](#). At the following Committee meeting on December 11, 2025, the Committee will hold a public hearing on CB 121073, consider any proposed amendments and possibly vote on the Council Bill.

cc: Ben Noble, Director  
Lish Whitson, Lead Analyst

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<sup>2</sup> Currently two parcels are owned by non-profits within the SODO BIA boundaries – Evergreen Treatment Services and Recovery Café. According to materials supplied by the SODO BIA, this Council Bill would result in an annual assessment of about \$3,000 each. Central Staff's understanding is that SODO BIA has made them aware of the potential changes and they are supportive.